

The NATIONAL UNDERWRITER

Life Insurance Edition

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OHIO NATIONAL on the Air!

Tune in on the entertaining "ONLI" Serenade each
Tuesday Evening

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Eastern Standard Time (9 P. M. Central Standard Time)

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W-L-W

The World's Most Powerful Broadcasting Station.

...

Hundreds of Prospect leads are being received at the Home Office and these are turned over to General Agents for distribution to their Field Staff for solicitation.

This is one of the many Sales Promotion helps offered Ohio National Salesmen.

For a General Agent's contract write to
John H. Evans, Vice-President

...

THE OHIO NATIONAL LIFE INSURANCE COMPANY

T. W. APPLEBY, President

Cincinnati, Ohio

FRIDAY, MARCH 27, 1936

DEFINITION:



A Shield:

A frame or rounded plate made of wood, metal, hide or leather, carried by warriors on

the arm or in the hands, as a protection and defense.

To Shield: Protect, defend or shelter from danger, calamity, distress or annoyance.

These are the fundamentals of

The **Shield** Company

THE NATIONAL LIFE AND ACCIDENT INSURANCE COMPANY, INC.

IN FORCE 1936 its greatest year, as indeed, each succeeding year since 1932 has seen the volume of Life Insurance in force swept to historic new levels. . . .

IN 1936: \$455,993,873

IN 1932: \$308,255,850

GROWING GREATER EVERYDAY

The **NATIONAL LIFE AND ACCIDENT Insurance Co., Inc.**



HOME OFFICE, National Building, NASHVILLE, TENN.
C. A. CRAIG, Chairman of the Board, W. R. WILLS, President



THE SHIELD COMPANY

STRENGTH AND PROGRESS IN THESE FIGURES

Annual Statement December 31, 1935

ASSETS

Cash in Banks and Office—Balances are carried in 38 banks throughout the country.....	\$ 1,862,149.73
Bonds—United States Government, State, Municipal, Railroad, Public Utility, and Miscellaneous	4,557,771.07
Stocks—at Market Values.....	280,809.24
Mortgage Loans—Secured by first mortgages on Real Estate appraised at more than double the amounts of the loans.....	6,003,863.67
Real Estate—Including Home Office Buildings	5,464,395.99
Loans on Policies and Interest—Secured by policy reserves	12,050,570.76
Loans—Secured by Collateral.....	125,254.50
Interest and Rents—Due and Accrued.....	328,518.15
Deferred and Uncollected Premiums.....	562,102.38
Reserves are set up in advance on an annual basis. On policies payable quarterly or semi-annually the remainder of the current year's premium is carried in this item as a deferred premium against the reserve set up. This item also includes current premiums within the grace period.	
All Other Admitted Assets.....	66,375.27
Total Admitted Assets.....	\$31,301,810.76

LIABILITIES

Policy Reserves—To meet policy obligations as they become due by death, maturity or disability	\$26,395,419.58
Claims Due and Unpaid.....	NONE
Reserve for Death and Disability Claims—Upon which proofs have not been completed.	301,966.51
Reserve for Claims—Upon which Notice of Death or Disability had not been received on December 31.....	48,389.16
Present Value of Installment Claims.....	200,510.54
Survivorship Funds	2,450,176.30
Policyholders' Funds—Including Dividends left on Deposit \$124,254.79; Dividends due and declared \$47,647.82; Deferred Dividends declared and allotted \$369,744.31; Premiums and Interest paid in advance \$196,212.46; Reserve Credits \$46,714.09.....	784,573.47
Reserve for Taxes—Payable in 1936.....	173,390.06
Other Liabilities	45,812.91
Reserve for Contingencies.....	150,000.00
SURPLUS TO POLICYHOLDERS:	
Capital Stock	\$2,000,000.00
Surplus	551,572.23
Total Surplus to Policyholders.....	751,572.23
Total Liabilities	\$31,301,810.76

The company has \$4,485,216.65 in approved securities on deposit with the Department of Insurance, State of Illinois.

Payments to policyholders and beneficiaries in 1935—
\$3,060,715.06

Life Insurance in Force—\$124,330,415.00

Agency opportunities in fifteen States and District of Columbia, for Life, Accident and Health insurance.

Write K. B. Korrad, Vice President, Director of Agencies

ILLINOIS BANKERS LIFE ASSURANCE COMPANY

MONMOUTH, ILLINOIS

Life

Accident

Health

The National Underwriter

LIFE INSURANCE EDITION
A WEEKLY NEWSPAPER OF LIFE INSURANCE

Fortieth Year—No. 13

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, MARCH 27, 1936

\$3.00 Per Year, 15 Cents a Copy

Wilde Commands First Convention

Connecticut General Aim Is to
Have Most Important Sales
Organization

MEETS AT CORAL GABLES

Head Office Building Is Damaged by
Flood but the Real Company
Is Intact

By RALPH E. RICHMAN

CORAL GABLES, FLA., March 26.—Those who last Saturday saw the flood waters of the Connecticut River force ladder entrance into the home office of the Connecticut General Life through second story windows may have thought the company had suffered some harm. Those who Tuesday morning saw much of the real company, home office executives and field force, getting the company convention program going in Miami, knew that no substantial harm could come from a flood which touches only physical equipment and leaves untouched the integrity, morale and business getting power of men, expressed in a common enterprise.

When F. B. Wilde approached the microphone to open his first convention as president of the company, the convention rose to greet him heartily. The company's ambition, he said, is to possess the most important sales organization in life insurance. He reported an increase of income for the 100 leaders for 1935 of nearly 40 percent over 1934 based on first year premiums.

Huntington Not Present

For the first time Robert Huntington, who recently retired as president, was not at a company convention. His message was read by Vice-President George E. Bulkley. Mr. Huntington's health made it advisable for him to remain home. His message emphasized that his recommendation of Mr. Wilde as his successor was unanimously approved by the directors. A. P. Woodward was made chairman of a committee to send the convention's greetings to Mr. Huntington.

J. L. Cole, superintendent of agents, announced the company leaders for 1935. The five who led averaged \$16,600 premium credits per man. They are P. T. Aubin, Chicago; J. S. Mason, Pittsburgh; H. K. Nickell, Chicago; Douglass Smith, Hartford, and J. B. Wallace, Jr., New Haven, Conn. Others who multiplied their qualifying score by from two to five times are George Griggs, Paul Clark, A. D. Coe, Harry Jackson, W. J. Lane, New York; Hugh I. Bass, Harold M. Sturgess, Bridgeport, Conn.; H. W. Carrothers, J. E. Hoyt, Detroit; Charles Claxton, Frank Fuhrman, Spencer McClure, George Yates, Philadelphia; Truman Hayes, Boston; Ken-

(CONTINUED ON LAST PAGE)

Some Confidential Talks

Life Insurance Executives Discuss
Problems Vital to Their Companies

By OTTO GARR TAGUE

What are life insurance executives thinking about?

What do they believe is wrong with the methods, policies and practices of companies? . . . What are they doing to correct them?

From what conditions, inherent or extraneous, do they foresee the greatest threats to the stability of the institution

cases, not at all what they would say were they reading a paper before some gathering of life men, sectional or national.

Quick to recognize in the purposes behind my calls a deep sympathy with their efforts to solve their problems and a basic understanding thereof, it was most natural for them to cast aside their

A series of articles in which a member of THE NATIONAL UNDERWRITER staff relates the intimate, personal views of many of the country's representative life company chief executives upon subjects that vitally concern the present welfare and future progress and security of life insurance. Where these were "off the record," heart-to-heart and informal expressions of a semi-confidential character, all facts that would lead to the identification of those with whom they originated are withheld.

of life insurance? . . . What do they offer as remedies? . . . What do they suggest as practical measures that may be undertaken to counteract subversive economic or political trends, practices and propaganda?

For more than four months it has been my unusual privilege to sit, day after day, in the most intimate contact, one after another, with scores of the executives of life companies—large, medium sized and small—and hear from their lips their answers to the foregoing questions.

Felt Free to Express Views

The information I have gleaned and the impressions I have gathered are made all the more interesting and instructive because of the fact that the conditions surrounding my conferences with these unusual men have been such as to induce them to talk freely. What they have said, therefore, is, in many

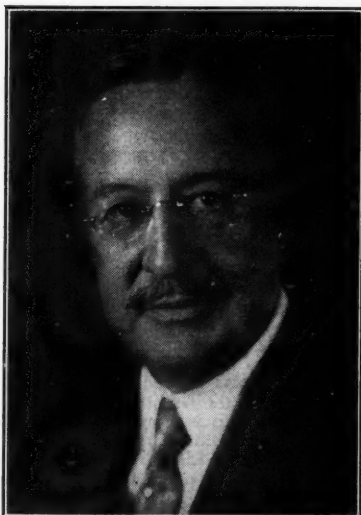
usual reserve and to respond to my own attitude by frankly discussing with me their hopes, ambitions, fears and limitations as only men of common purpose can discuss matters of common interest.

I am therefore offering in this series of articles, for the consideration of all who may be interested, these heart-to-heart expressions of representative life company heads upon many diverse subjects in the hope that they will prove of value as a cross section of the thinking processes of these men in whose hands Fate has seen fit to place so large a share of responsibility for the present and future welfare of so many millions of the American people.

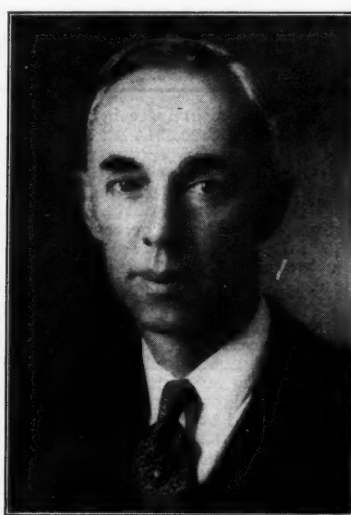
Since sincerity of purpose and devotion to the interests of their policyholders and the nation are the very obvious keystones to the character of these men, I will leave for future discussion my impressions that may be categorized under

(CONTINUED ON PAGE 14)

Metropolitan Life Men Advanced



FREDERICK H. ECKER
Chairman of the Board



LEROY A. LINCOLN
President

Changes Made by the Metropolitan

Ecker Become Chairman of Board
and Lincoln Succeeds Him
as President

OTHERS GET NEW TITLES

Big Life Company Gives New Recognition to Several of Its
Leading Officials

Changes made by the Metropolitan Life bring advancement to several men noted in the life insurance field. President Frederick H. Ecker, who has been with the company more than half a century, is made chairman of the board. LeRoy A. Lincoln, formerly vice-president and general counsel, is advanced to the presidency. Frederick W. Ecker, formerly treasurer; James D. Craig, actuary; James E. Kavanagh, Ernest H. Wilkes, and Henry E. North, second vice-presidents, are all made vice-presidents.

Mr. Ecker's Career

Mr. Ecker joined the Metropolitan in 1883 at the age of 16. He was made manager of the bond and mortgage division in 1898 and comptroller in 1905. In 1906 he was advanced to treasurer and in 1909 was elected to the board of directors. He was made a vice-president in 1919, and elected to the presidency in 1929, succeeding Haley Fiske.

Mr. Ecker is a director of the Union Dime Savings Bank and the Chase National Bank of New York and of a number of railroads. He is a member of a great number of civic and social organizations.

Mr. Lincoln's Record

Mr. Lincoln graduated from Yale in 1902 and was admitted to the bar in 1904. He practiced law in Buffalo until 1915 when he became general counsel to the New York insurance department. In 1918 he was appointed general attorney of the Metropolitan Life, was made general counsel in 1926, first vice-president and general counsel in 1929 and vice-president, general counsel and a director in 1930. He has been in demand as a speaker at life insurance meetings and has become notable for clear sighted analysis of insurance problems.

He served as a delegate to the state constitutional convention in 1915. His work led to his appointment as counsel to the New York insurance department which post he resigned two years later to become a member of the law firm of Rumsey & Morgan, insurance attorneys, of New York City.

Mr. Craig started as a clerk in the actuarial department in 1896. In 1909 he was appointed an assistant actuary and became actuary in 1922. Mr. Craig is of the second of three generations of

(CONTINUED ON LAST PAGE)

Companies Ranked by Amount in Force

Rank 1936	Rank 1935	Company	Insurance In Force	Rank 1936	Rank 1935	Company	Insurance In Force	Rank 1936	Rank 1935	Company	Insurance In Force	Rank 1936	Rank 1935	Company	Insurance In Force
1	1	Metropolitan	\$20,269,349,576	77	77	Mass. Savings Bank	109,645,965	129	129	Postal Life	46,945,622	184	184	Victory Life	20,274,711
2	2	Prudential	15,917,997,463	78	78	Sun Life, Md.	108,370,456	130	130	Guaranty Life, Ia.	45,175,216	185	185	Standard Life, Pa.	19,580,931
3	3	New York	6,620,881,483	79	80	Home Life, Pa.	105,732,275	131	131	Interstate L. & A.	45,114,454	186	186	Seaboard Life	19,373,083
4	4	Equitable, N. Y.	6,226,286,585	80	82	Pilot Life	105,488,842	132	132	Peoples, Ind.	44,957,168	187	187	Church Life	19,242,338
5	5	Travelers	4,272,549,062	81	76	United Mutual	105,445,698	133	133	Washington Natl.	43,648,686	188	188	Bankers Health & L.	19,018,253
6	6	Mutual Life, N. Y.	3,708,081,401	82	79	Midland Mutual	103,358,617	134	134	National Guardian	42,718,572	189	189	Great Amer., Tex.	18,799,506
7	7	Northwestern Mutual	3,705,020,135	83	83	Colonial, N. J.	102,917,575	135	135	Southeastern	42,290,695	190	190	Amer. Life & Acc., Ky.	18,794,875
8	8	John Hancock Mut.	3,593,148,522	84	77	Volunteer State	101,555,382	136	136	United States	41,050,717	191	191	George Washington	18,769,677
9	9	Aetna Life	3,524,514,246	85	84	Business Men's, Mo.	101,443,570	137	137	Montana Life	40,951,266	192	192	Liberty Life, Kan.	18,762,191
10	10	Sun Life, Canada	2,725,586,814	86	81	Yeomen Mutual	96,945,077	138	138	Colorado Life	40,251,083	193	193	Pyramid Life, Kan.	17,525,079
11	11	Mutual Benefit	2,005,497,838	87	85	Indianapolis	95,756,258	139	139	United Life & Acc.	39,492,809	194	194	Cedar Rapids Life	17,158,211
12	12	Massachusetts Mut.	1,851,447,479	88	89	Baltimore	91,790,684	140	140	Texas Prudential	38,642,535	195	195	Monarch, Mass.	17,099,790
13	13	Penn Mutual	1,839,599,194	89	92	Amicable	78,428,078	141	141	New World	38,153,794	196	196	Great Western, Ia.	16,915,470
14	14	New England Mut.	1,329,397,440	90	88	Northern Life, Wash.	91,615,668	142	142	Southern Life & H.	37,418,033	197	197	Provident Life, N. D.	16,817,810
15	15	Union Central	1,145,205,045	91	87	Secur. Mut., N. Y.	89,007,838	143	143	Farmers & Traders	36,725,610	198	198	Maryland Life	16,317,482
16	16	Connecticut General	1,006,653,262	92	86	Central States	86,151,429	144	144	North Carolina Mut.	36,683,621	199	199	Cooperative, Ohio	15,994,715
17	17	Prudential	934,936,814	93	91	Ohio State	83,983,430	145	145	Wisconsin Natl.	36,069,179	200	200	National Reserve	15,251,557
18	18	Connecticut Mutual	914,156,736	94	104	United Benefit	81,884,006	146	146	Midland Life, Mo.	34,614,834	201	201	Amer. Savings, Mo.	15,144,292
19	19	Lincoln National	879,399,795	95	90	Federal, Ill.	80,866,310	147	147	Federal Reserve	33,674,739	202	202	Gate City	15,089,268
20	20	Canada Life	815,232,658	96	101	Country Life, Ill.	80,009,302	148	148	Scranton	33,656,549	203	203	Rockford Life	14,737,687
21	22	Genl. American	750,098,209	97	102	Peoples, D. C.	78,706,971	149	149	Great Northern, Wis.	32,437,396	204	204	Old Republic Credit	13,894,745
22	23	Western & Southern	733,178,179	98	96	Provident Life & Acc.	78,651,011	150	150	Mass. Protective	32,067,719	205	205	Modern Life	13,662,843
23	21	Bankers, Ia.	723,166,443	99	103	Protective Life, Ala.	78,193,375	151	151	Security Life & Tr.	31,486,851	206	206	Cosmopolitan, Tenn.	13,600,000
24	24	Pacific Mutual	636,856,407	100	99	Equitable, D. C.	75,654,677	152	152	Girard Life	30,782,094	207	207	Paul Revere	11,453,971
25	25	Phoenix Mutual	589,864,140	101	101	Bankers Natl.	75,540,975	153	153	Mid Continent	30,631,364	208	208	Eastern Life	11,375,435
26	26	State Mutual	567,338,718	102	102	Boston Mutual	74,959,928	154	154	State Farm	30,053,370	209	209	Republic Life, Tex.	11,134,335
27	29	Amer. Natl., Tex.	554,328,732	103	103	Old Line, Wis.	72,663,209	155	155	Conservative West, Va.	29,790,616	210	210	Policyholders Natl.	10,796,729
28	27	Great-West, Canada	554,133,172	104	104	Union Mutual, Maine	71,927,053	156	156	National Fidelity	29,178,084	211	211	St. Louis Mutual	10,588,571
29	28	Equitable, Ia.	548,337,737	105	105	Amer. Life, Mich.	66,312,355	157	157	Home Security	29,023,817	212	212	Great National	10,566,043
30	30	Mutual Life, Canada	527,372,186	106	106	Home Beneficial	66,271,249	158	158	Atlas Life	28,537,176	213	213	Central Life, Kan.	10,325,981
31	31	National Life, Vt.	510,024,519	107	107	Manhattan Life	65,299,017	159	159	Michigan	27,789,234	214	214	Amer. Life, Ala.	10,270,735
32	32	Manufacturers	501,975,660	108	108	Eureka-Maryland	64,410,611	160	160	Security Mut., Neb.	27,756,076	215	215	Virginia Life & Cas.	10,018,493
33	35	National L. & A.	455,993,873	109	109	Lamar	62,797,802	161	161	Supreme Liberty	27,739,428	216	216	Pure Protection	9,596,922
34	33	Guardian, N. Y.	455,349,274	110	110	Gulf	60,763,187	162	162	Columbian Mutual	26,236,359	217	217	Great Northwest	9,521,713
35	36	Life of Va.	416,937,602	111	111	Gulf States Secur.	60,220,064	163	163	Occidental, N. C.	26,037,614	218	218	Great Amer., Kan.	9,343,765
36	34	Reliance, Pa.	409,568,300	112	112	Central, Ill.	60,179,585	164	164	Expressmen's Mutual	25,911,892	219	219	Pyramid Life, Ark.	9,167,954
37	38	Confederation Life	385,456,758	113	113	National Life, Ia.	59,846,109	165	165	Columbia, Ohio	25,781,943	220	220	State Reserve	9,094,639
38	37	Kansas City	384,586,763	114	114	North American, Ill.	59,705,738	166	166	Morris Plan	25,739,177	221	221	Farmers Union	8,834,475
39	40	Home Life, N. Y.	356,720,129	115	115	Presby. Min. Fund.	59,344,128	167	167	Texas Life	25,687,843	222	222	United Life	8,812,714
40	41	Acacia Mutual	352,091,999	116	116	Continental, D. C.	57,778,387	168	168	Pennsylvania Mutual	25,677,683	223	223	Puritan Life	8,662,459
41	42	Jefferson Standard	329,837,624	117	117	Beneficial	56,876,273	169	169	Globe Life, Ill.	25,273,479	224	224	Guaranty Income	8,531,411
42	43	Southwestern	288,044,732	118	118	Knights Life	55,355,424	170	170	Lincoln Liberty	25,157,668	225	225	American Home	8,132,841
43	44	Great Southern, Tex.	226,878,398	119	119	Reserve Loan	54,137,928	171	171	LaFayette Life	24,468,807	226	226	National Equity	8,101,840
44	45	Occidental, Cal.	210,477,336	120	120	Capitol, Colo.	53,191,788	172	172	Service Life	24,194,000	227	227	Pacific National	7,853,877
45	46	Calif.-Western States	208,237,830	121	121	Union Co-operative	52,846,523	173	173	Conservative, Ind.	23,536,244	228	228	Independence Life	7,444,500
46	47	Berkshire Life	205,694,748	122	122	Oregon Mutual	52,737,461	174	174	Home State	23,443,463	229	229	Rio Grande	7,321,090
47	48	Central, Ia.	205,383,532	123	123	Philadelphia	52,096,324	175	175	Fidelity Union	22,525,136	230	230	Amer. Union, Okla.	7,050,570
48	49	Monumental	204,858,284	124	124	Farmers & Bankers	50,763,646	176	176	Wisconsin Life	22,365,326	231	231	Public National	7,036,998
49	50	Minnesota Natl.	197,860,562	125	125	Teachers Ins. & An.	50,536,067	177	177	Home Friendly	21,755,343	232	232	Southern Old Line	6,883,176
50	51	State Life, Ill.	194,113,477	126	126	Union Labor	49,145,735	178	178	Standard Life, Miss.	21,582,722	233	233	Union Life, Ark.	6,046,715
51	52	Continental Assur., Ill.	193,955,746	127	127	Durham	47,279,287	179	179	Midland National	21,464,957	234	234	Postal National	5,506,939
52	53	No. American, Canada	187,111,937	128	128	Kentucky Home	47,088,822	180	180	American Reserve	20,742,219	235	235	United Ins. Co.	5,323,623
53	54	Life & Cas., Tenn.	176,600,661					181	181	Midwest Life	20,655,314	236	236	Ind. Ins. Co.	5,187,774
54	55	Ohio National	175,381,845					182	182	Empire Life & Acc.	20,346,308	237	237	Manhattan Mutual	5,096,399
55	56	Franklin Life	170,699,993					183	183	Imperial, N. Car.	20,301,939	238	238	Bankers Union	5,015,620
56	57	Amer. Central, Ind.	161,421,011									239	239	N. Amer. Life & Cas.	4,739,278
57	58	Columbian Natl.	158,617,870									240	240	Union States	4,517,980
58	59	Crown, Canada	156,989,682									241	241	Pathfinder	4,098,755
59	60	Pan-American	155,851,804									242	242	Interstate Reserve	4,037,556
60	61	Mutual Trust	154,443,920									243	243	Union Natl., Neb.	3,806,242
61	62	Dominion, Canada	154,082,214									244	244	Postal Union	3,709,172
62	63	Shenandoah	147,779,812									245	245	Ind. Ins. Co.	3,675,239
63	64	Hercules Life	139,186,751									246	246	Southern Aid Society	3,497,339
64	65	Atlantic Life	134,205,120									247	247	Am. Life & Acc., Mo.	3,249,836
65	66	Commonwealth	130,570,168									248	248	Ind. Ins. Co.	3,087,274
66	67	No. Amer. Re-assur.	129,698,900									249	249	Western Mut., N. D.	3,224,751
67	68	Illinois Bankers	124,330,415									250	250	Amer. Annuity	3,201,605
68	69	Bankers, Neb.	124,023,771									251	251	Guaranty Life, Ia.	2,622,361
69	70	Columbus Mutual	123,236,386									252	252	Ind. Ins. Co.	2,492,576
70	71	Guarantee Mutual	119,038,350									253	253	Northwestern Union	2,680,469
71	72	Southland Life, Tex.	115,312,382									254	254	General Mutual	2,606,865
72	73	Alliance Life, Ill.	115,030,717									255	255	Northwestern L. & A.	2,505,862
73	74	West Coast	113,019,180									256	256	Ministers Mutual	2,487,925
74	75	Continental Amer.	111,060,999									257	257	Family Mutual	2,487,925
75	76	Grp.	76,200									258	258	Ind. Ins. Co.	907,185

CHANGES IN STANDINGS

Life insurance in force in the United States totaled \$106,334,241,542 on Jan. 1, according to the reports of 273 legal reserve companies compiled by the Unique Manual Digest, published by THE NATIONAL UNDERWRITER. This is an increase of nearly 2 percent over the 1935 total of \$104,276,410,173 for 276 companies. In 1934 the total was \$103,219,119,878 and in 1933, \$108,290,757,814.

There are now 16 companies in the \$1,000,000,000 insurance in force class compared to 15 last year, the Connecticut General going back into that class after dropping out last year.

Ordinary showed a \$500,000 increase with a total of \$77,273,400,575 on Jan. 1, compared to \$76,662,656,094 in 1935, and \$76,835,071,336 in 1934. Group showed another substantial gain with \$11,175,921,650 on Jan. 1, compared to \$10,135,729,836 in 1935 and \$9,372,525,893 in 1934, a gain of 10 percent for both years. Industrial showed a \$400,000,000 in-

crease with \$17,884,999,317 total compared to \$17,468,024,243 the year before.

There were 86 companies in the \$100,000,000 class on Dec. 31, compared to 84 a year ago and 76 the previous year, the Massachusetts savings bank group and the Peoples Life of the District of Columbia joining the nine digit class.

There was no change in rank among the first 20 companies, but the General American and Western & Southern Life went up to 21st and 22nd place, respectively, while the Bankers of Iowa went from 21st to 23rd. The American National of Texas moved up two places to 27th, while the Great West Life went down a notch to 28th and the Equitable Life of Iowa from 28th to 29th.

Agents' Status Is Not As Yet Clear

U. S. Regulations 90 Governing Unemployment Compensation Are Noncommittal

GIVE IMPORTANT SLANTS

Treasury Department Defines "Employee" More Precisely Under Social Security Measure

Insurance agents on commission are neither specifically included nor excluded from operation of the unemployment compensation provisions of the social security act, in interpretation of the act, designated as "Regulations 90."

These regulations govern the payment of the tax by employers to the government, but have nothing to do with the guaranty of compensation payments to employees.

Section 207 specifies that "salaries, commissions on sales or on insurance premiums, fees, and bonuses are wages within the meaning of the act, if paid by an employer to his employee as compensation for services not excepted by the act." The name by which the remuneration is designated is immaterial. However, Article 205 provides, that "whether the relationship of employer and employee exists will in doubtful cases be determined upon an examination of the particular facts of each case," and also that "individuals performing services as independent contractors are not employees."

Definition of Employee

Article 205, relating to employed individuals, states, "An individual is in the employ of another within the meaning of the act if he performs services in an employment as defined in section 907 (v). However, the relationship between the individual who performs such services and the person for whom such services are rendered must, as to those services, be the legal relationship of employer and employee. The act makes no distinction between classes or grades or employees. Thus, superintendents, managers and other superior employees are employees within the meaning of the act."

Important Interpretation

As to the employee relationship the regulations state: "Generally, the relationship exists when the person for whom services are performed has the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work but also as to the details and means by which the result is to be accomplished. That is, an employee is subject to the will and control of the employer not only as to what shall be done but how it shall be done. In this connection, it is not necessary that the employer actually direct or control the manner in which the services are performed; it is sufficient if he has the right to do so."

Factors Governing Status

"The right to discharge is also an important factor indicating that the person possessing that right is an employer. Other factors characteristic of an employer are the furnishing of tools and the furnishing of a place to work, to the individual who performs the services. In general, if an individual is subject to the control or direction of another merely as to the result to be accomplished by the work and not as to the means and

(CONTINUED ON PAGE 24)

Kingsley Election Meets with Very Hearty Response

The election of W. H. Kingsley, vice-president of the Penn Mutual Life to the presidency of that company, has met with enthusiastic reception at the head office and in the field. There was considerable doubt in the minds of Penn Mutualites as to who would be chosen to succeed the late President W. A. Law. There were rumors of all kinds afloat and while deep down in their hearts the company men hoped that Mr. Kingsley would be selected, they waited with bated breath the outcome of the trustees' meeting late Wednesday afternoon of last week.

Said It with Applications

The men with the rate books responded immediately and with great avidity while going out into the by ways and rolling up a large number of applications to show their new chief that they were for him. This action on part of the field forces was spontaneous and was a signal tribute to Mr. Kingsley.

The general agency association headed by H. J. Johnson of Pittsburgh is arranging a dinner at the head office April 2 largely on account of Mr. Kingsley's election. The trustees and senior officers will be the guests of the general agents.

Friend of the Workers

No one at the head office of the Penn Mutual is held in any higher esteem than President Kingsley. He has been deeply interested in personnel and welfare work. The employees realized all along that they had a friend at court. At one time he had entire charge of the personnel work but at that time there were only 100 clerks, all men. He was responsible for the introduction of a

number of features along welfare lines. Later he brought about the establishment of rest rooms and a recreation hall.

All this work revealed the fact that Mr. Kingsley possessed a warm heart and regarded everybody connected with the company entitled to human recognition. He has always been very approachable and democratic. He has a keen sense of humor, he has a great fund of anecdotes and there is always a sparkle in his eye.

Well Known to the Business

Of the recent men elected presidents of life companies, he is the best known because of his long service with the company and his outside activities. He has migrated far beyond the confines of Independence Square. Having been agency vice-president he had many contacts in the field, not only with his own company but others. He attended the company conventions, hobnobbed with other agency executives and thus became a familiar figure.

It was only last August that Mr. Kingsley celebrated his 50th anniversary with the company, an unusual record of continuous service. There are only three other home office people that outrank him in point of years of connection with the Penn Mutual, they being Vice-president John W. Hamer, Comptroller C. F. Chandrew and E. L. Burkart.

Had Charge of Mortgages

When he was shifted from the agency department to the investment end he was given complete charge of mortgage investments. In this field Mr. Kingsley

(CONTINUED ON PAGE 24)

General American Control Changes

Equity Corporation Sells Out—Investment Passes to the Southwestern Life

MUTUALIZATION PLANNED

Management of St. Louis and Dallas Companies to Be Independent—Steps In Deal Complicated

ST. LOUIS, March 26.—The complete divorcement of the General American Life and the Southwestern Life of Dallas and the eventual mutualization of the General American will be among the results of the sale by the Equity Corporation, an eastern holding concern dominated by David Milton and Ellery Huntington of New York City, of 41,666 shares of General American Life stock to the Southwestern Investors Corporation of Dallas, a recently organized corporation. The purchase price was \$60 per share or a total of \$2,499,960.

This stock constitutes 83 1/2 percent of the 50,000 shares of General American stock outstanding. It is understood that the Equity corporation paid \$40 a share in the summer of 1933.

While Superintendent O'Malley of Missouri has expressed dissatisfaction with the secrecy with which the deal was consummated it is known he would look with favor on the mutualization of the General American. He is also personally opposed to the interlocking of life insurance companies.

Deal Quickly Consummated

The Southwestern Investors Corporation was organized March 12 by financial interests friendly to the present management of the Southwestern Life. Four days later the purchase of the control of the General American was put through although this fact did not become public knowledge until later when the news was officially given out in St. Louis.

The organizers of the Dallas concern are: Dexter Hamilton, president; J. R. Wood, secretary, and Thomas Clark. All are Dallas attorneys. The company has \$100,000 capital stock. It is understood that the primary purpose was to protect the Southwestern Life, since the General American, through the Missouri State Life, owns 52 1/2 percent of the stock of the Dallas company. The Dallas interests expressed a willingness to sell their holdings in the General American for the same price they paid for the stock provided such a purchase would be for the purpose of mutualizing the General American.

Irrevocable Voting Trust

An irrevocable voting trust will be established under which the controlling stock of the General American will be voted over a long period. The trustees will be W. W. Head, president of the General American; T. O. Moloney, chairman of the Moloney Electric Company of St. Louis, and H. H. Langenberg, president of the Langenberg Grain Company of St. Louis.

This voting trust will assure the continuity of the present management of the General American. Messrs. Head, Moloney and Langenberg are directors of the General American.

It is also planned to arrange an irrevocable voting trust for the Southwestern Life stock held by the General American in the account of the Missouri State. The contract for the purchase of this stock entered into in 1929 was taken over by the General American in 1933,

(CONTINUED ON PAGE 24)

Facts and Faith

Almost every standard business index is showing an uplift in many foundational lines. This should be comforting enough to put every worker into at least an easy frame of mind toward his job.

Life insurance production grows more and more healthy, though by no means with leaps and bounds. It is dependent chiefly on the country's general condition. When business is good, we share. When it is poor, we suffer. Hence, since life insurance is doing well, and since many of the business indices do report progress, the two facts together should make our faith secure.

Life underwriters don't make the laws, don't create governmental policies. We are just plain everyday working men, and not officio or ex-officio statesmen. "Earned income" is again ours for the earning by underwriters who sell service and do not time-wastingly distribute economic facts and fallacies.

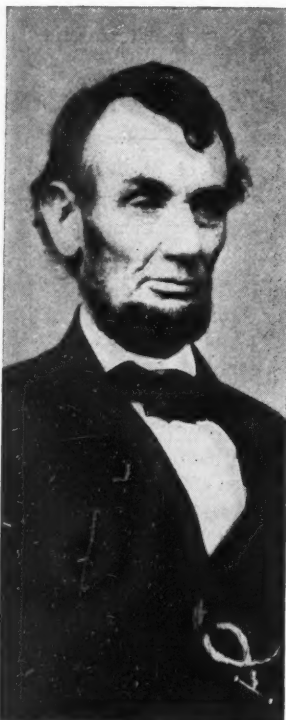
THE PENN MUTUAL LIFE INSURANCE CO.

Wm. H. Kingsley, President

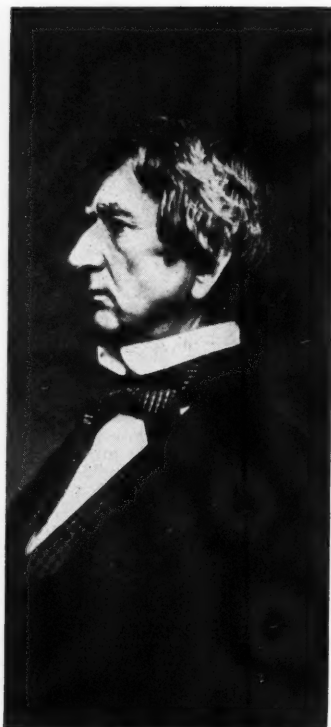
Independence Square

Philadelphia

MAN TO MAN



Lincoln



Seward

Hon. W. H. Seward.

My dear Sir:

I expect to maintain this contest until successful, or till I die, or am conquered, or my term expires, or Congress or the country forsake me.

Yours very truly,

A. Lincoln.

Executive Mansion, June 28, 1862.

"DO OR DIE" DECISIONS

WILLIAM HENRY SEWARD was Lincoln's chief competitor for the Republican presidential nomination in 1860. He was chosen by Lincoln as a member of the now famous war Cabinet.

The remarkable "do or die" letter which Lincoln sent to Seward on June 28, 1862, was written just after McClellan's retreat from Richmond had been made known. In the face of one of the most discouraging episodes of the whole war, the President penned his immortal words of allegiance to the Union cause.

The underwriter who has the courage and stamina to maintain an aggressive attitude in the face of economic collapse is already on the high road to success. The determination to "do or die" gets business done.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

FORT WAYNE, INDIANA

ITS NAME INDICATES ITS CHARACTER

Metropolitan Reports on Causes of Claim Payments

HEART DISEASE HEADS LIST

Three Degenerative Ills Cause 30 Percent of Disbursements; Tuberculosis, Cancer Decrease

NEW YORK, March 26.—Heart disease headed claim disbursements of the Metropolitan for the 12th successive year in 1935, the claims due to this cause amounting to almost one-sixth of the \$157,889,173 death benefits paid during the year. There was \$377,362,400 paid to living policyholders in maturities of endowment policies, dividends, annuities, etc.

There was a slight drop in the death rate for heart disease among industrial policyholders, following a long series of year-to-year increases. The statisticians admit there may be a decline in percentage of total disbursements paid on account of heart conditions.

Degenerative Ills Prevalent

The three main cardiovascular-renal impairments—heart disease, chronic nephritis and cerebral hemorrhage—accounted for almost 30 percent of all death claims paid. The degenerative diseases constitute a most fertile field for public health work, it was stated, for thousands of these deaths could have been prevented and thousands more postponed. There is much work to be done in better control of acute diseases of children, focal infections and venereal diseases, all instrumental in creating cardiac impairments. Correct diet, proper exercise and personal hygiene also will be factors in reduction of deaths from chronic diseases.

Cancer Shows Reduction

Cancer was second highest, or one-ninth of all death claim payments. There has been slackening in rise of the cancer death rate, and in 1935 there was a small reduction among policyholders, following uninterrupted increase for many years.

Third in the list of disbursements was accidents. One dollar in ten disbursed in death payments was due to accidental deaths, an increase of 75 percent as compared with ten years ago. Automobile fatalities caused 44 percent of the accidental death disbursements.

Influenza and pneumonia, jointly, ranked fourth, and pneumonia fifth. Chronic nephritis ranked fourth and cerebral hemorrhage sixth.

Tuberculosis Much Lower

Tuberculosis was seventh for money disbursed, whereas ten years ago it was second. A smaller sum was paid in death claims from tuberculosis than ten years ago. Diabetes death rate dropped slightly, and disbursement was \$332,000 less than for 1934.

A new minimum mortality rate was registered for diseases incidental to the maternal state. Suicides represented 3.3 percent in claim payments, compared to 2 percent ten years ago, the figures for recent years showing a declining percentage. In 1932, suicides constituted 5.1 percent, 1933, 3.6 percent, 1934, 3.4 percent.

Insurance Letter Writing

"Life Insurance Correspondence" is a book just published under the auspices of the Life Office Management Association, the author being Felix E. Held of Ohio State University. The book contains much practical advice on the construction of letters in connection with life insurance operations. The author expresses the idea that the responsibility for better business letters should be placed on executives, administrators and department heads. A large number of model letters is printed.

Named Vice-president of the Reinsurance Company



J. HOWARD ODEN

NEW YORK, March 26.—J. Howard Oden has been elected vice-president and J. W. Thomson, vice-president and actuary of the North American Reinsurance. Both men are well known to the business because their dealings are with executives of other insurance companies. Mr. Oden, who has been connected with the North American Reinsurance of New York for several years, largely in a field capacity, has received the recognition of being elected vice-president. He has a great personal and technical knowledge of the business. He is a product of Texas.

Plans for Annual Meeting of Actuaries Are Taken Up

Tentative plans for the annual meeting of the American Institute of Actuaries were discussed at a meeting of the board in Chicago, 12 members attending. It will be held at the Hotel Nicolet, Minneapolis, probably in June. The program is being prepared and soon will be announced. Among those attending the Chicago meeting were V. R. Smith, general manager and actuary Confederation Life of Toronto; J. G. Parker, actuary Imperial Life, Toronto; W. P. Coler, actuary American Central Life; T. A. Phillips, president Minnesota Mutual; O. W. Perrin, associate actuary Penn Mutual, and E. G. Fassel, associate actuary Northwestern Mutual.

Change of Beneficiary in Effect When Form Signed

Change of beneficiary under a life policy becomes effective when the change of beneficiary form is executed by the insured and not when the clerical work is done at the home office, the Illinois appellate court ruled in the suit of Mrs. Vera Beryl Williams of Chicago to collect \$10,000 on her husband's insurance. She charged a few hours before he killed himself a year ago, he changed beneficiary from herself to his father, but the actual change was not made until after his death. The opinion reversed ruling of Judge Klarkowski of circuit court awarding her the money. Weir Williams, the husband, was sales director of the Bankers Commercial Corporation. His father is C. S. Williams of Evanston, Ill.

McElheny General Agent

The Old Line Life of Milwaukee has appointed D. A. McElheny general agent in Decatur, Ill. He formerly was assistant manager for the Metropolitan.

Give your sales talks . . .

- BRIEFLY
- INTERESTINGLY
- EFFECTIVELY

The buying public is better sold on Life Insurance today than at any time in the history of the institution. Why, then, is there not more Life Insurance being sold? One important reason is that prospects are sick and tired of being interviewed by Life Insurance men who are unable to present the subject briefly, interestingly and effectively.

Perhaps YOU who are reading this page could improve your methods by following the best practices of some of the most successful men in the business—methods which are given in the D. L. B. Agent's Service now being studied regularly every month by 5,000 up-to-the-minute Underwriters in more than 200 companies.

This is not just "another publication." If it were, we would not have the voluntary endorsement of it by some of the best General Agents and producers in the country. For instance, Franklin Mann, one of the wisest and most experienced General Agents of the Northwestern Mutual, wrote us as follows:



FRANKLIN MANN,
General Agent,
Northwestern Mutual Life
Insurance Co.,
Omaha, Neb.

"I recommend the purchase of the D. L. B. Agent's Service because of the stimulation I know it will afford where a man is able to refer to it when perplexing problems of salesmanship arise, and also to have the benefit of the monthly contribution of new material. For a good many years I have been an advocate of the idea that Life Insurance men could not know too much about their business. (Please note that I say 'know' and not 'tell')."

The
DIAMOND LIFE BULLETINS
420 East Fourth Street, Cincinnati, Ohio



Save Time and Send for This FREE Booklet

A FREE COPY of this attractive 40-page booklet describing the monthly D. L. B. Agent's Service is yours for the asking. The booklet contains 16 pages from the Service illustrating the kind of help which is given to subscribers. Therefore, this little FREE booklet may give you some ideas which you can use in your selling.

More and more underwriters are coming to realize that they must have a steady inflow of selling plans and methods to make a success in this business of selling Life Insurance. Even the million-dollar producers adopt ideas of other leading underwriters. For example, Charles P. Hochstadter, million-dollar writer and leader of the Pacific Mutual Life Insurance Company for 1935, has adopted the Monthly Prospecting Work Sheet of Louis Behr, a million-dollar producer and third in production for the Equitable of New York for 1935. This plan is explained in the D. L. B. Agent's Service.

Send for Your FREE Copy Today! Use this Coupon!

THE DIAMOND LIFE BULLETINS.

420 East Fourth Street, Cincinnati, Ohio.

Gentlemen:

Please send me a free copy of the booklet, "Buying Time," describing the D. L. B. Agent's Service. I am inclined to believe that you must have "something on the ball" if 5,000 Agents are using this Service regularly each month.

Name Title

Company

Street Address

City and State

Ask Receiver for the Union Mutual Life of Des Moines

COMPANION COMPANY SAVED

New Officers Elected and New Money Contributed to Union Mutual Casualty—Schulzes Ousted

Petition for receivership for the Union Mutual Life of Des Moines has been filed by Attorney-general O'Connor of Iowa in Polk county district court. The petition asked that Commissioner Murphy be appointed receiver. The judge signed an order tentatively placing the operation of the company under the insurance department and set Thursday of this week for a hearing. F. L. Sawyer, a policyholder, brought a similar action, and hearing on this will be held Friday.

Reorganization of the affiliated Union Mutual Casualty has been effected with approval of the Iowa department, which now will not seek to place that company in receivership following its revocation of certificate March 4.

Harry Lewis New President

The Union Mutual Life is not affected by the reorganization and the receivership action and revocation stands against it.

New officers and directors for the casualty company were elected and new money to make it solvent has been contributed by the new officers.

Harry Lewis of Sioux City, Ia., is president; Clyde H. Pettey, Des Moines, vice-president; C. M. Everett, Sioux City, secretary-treasurer; Don D. Usher, Des Moines, and H. F. Lewis, Sioux City, directors, with the officers. The election deposes William Schulz, Jr., president; Carl Schulz, secretary, and H. R. Schulz, treasurer.

Mr. Lewis, the new president, is president of the Mid-Western Casualty of Sioux City, and head of Lewis System, Inc., a money protective organization. Mr. Pettey is manager of Lewis System in Des Moines, and Mr. Everett is secretary Mid-Western Casualty.

To Resist the Suit

Frank Comfort, vice-president and associate counsel of the Union Mutual Life, said the suit against that company will be resisted.

The insurance department revoked the licenses of the Union Mutual Casualty and Union Mutual Life after an examination. The management of the life company was charged with grossly extravagant and misleading statements to its policyholders and prospective policyholders, made with the intent to deceive. The life company was charged with irregular underwriting practices, attempts to defraud beneficiaries by making settlement for less than the amount due, the making of investments not in the best interests of the company and the recording of termination of policies on the grounds of lapsation before the proper expiration date.

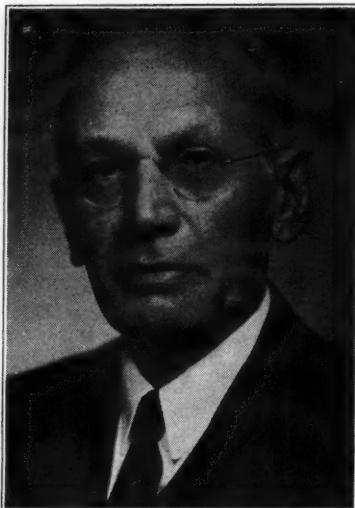
O. K. Eastern Life Stock Issue

The Eastern Life of New York announces it has complied with all requirements of the Securities & Exchange Commission, has filed its prospectus and all required supporting facts and figures, and has the right to offer for public sale 15,000 additional shares of stock, according to the rules of the commission. The New York department approved the new issue last September. The shares will be offered at \$12.50. The proceeds are to be used for the extension of business.

The home office has been removed to 386 Fourth avenue, corner 27th street.

The Gulf States Security Life of Dallas has amended its charter dropping the word "Security" from its name.

Chicago Association Head Dies of Pneumonia Attack



I. B. JACOBS

I. B. Jacobs, president Chicago Association of Life Underwriters and educational director Hastie agency Mutual Life of New York, died of pneumonia, the second death of an association official in a short time. Walt Tower, managing director, died about two months ago. Frederick Bruchholz, vice-president and agency director New York Life, will become the presiding officer and probably will be elected president at the annual meeting June 16.

Mr. Jacobs' death was a great loss to the life insurance fraternity in Chicago. He was a man of fine ability and high principles. He had been a self-effacing but powerful factor for good in the association for many years, active on several committees and greatly helping to stimulate interest in the association through the program, of which he had charge for some time, and other work which has served to boost the membership to the peak of 1,090.

25 Years With One Company

Last June Mr. Jacobs celebrated his silver anniversary with the Mutual Life. In the quarter century he wrote 1,500 cases for a total of about \$9,000,000, or an average of about \$360,000 annually while a major part of the time serving in a supervisory capacity and recruiting and training agents.

A large number of association leaders attended the funeral service Tuesday and interment in Rose Hill cemetery.

Honorary pallbearers were A. J. Johannsen, Northwestern Mutual, chairman advisory council; Sara Frances Jones, Equitable of New York; C. B. Stumes, Stumes & Loeb, Penn Mutual; A. E. McKeough, W. A. Alexander & Co., Penn Mutual; E. B. Dudley, Travelers; W. M. Houze, John Hancock; J. B. Moynahan, Metropolitan; E. S. Rappaport, Pacific Mutual, and Frederick Bruchholz, New York Life.

Miss Luidens Also Bereaved

Miss Joy M. Luidens, association secretary, received news that her brother, J. P. Luidens of Holland, Mich., had died after a long illness there and remained in Chicago only long enough to complete the Jacobs funeral arrangements.

Mr. Jacobs had not been in the best of health for several years and for the last two years had been exercising special care. It was learned he had had infrequent but severe attacks evidently due to some heart ailment. His last illness, however, was brief, lasting only three days. His wife died some time ago. He left two daughters, living in Toronto and South Bend.

The Western Reserve Life of San Angelo, Tex., has been licensed in New Mexico.

Annuity Premiums Are Held Not Subject to Tax in Iowa

LEVIES OF \$250,000 AT STAKE

Northwestern Mutual Life Granted Injunction in Test Case to Restrain Collection; State to Appeal

DES MOINES, IA., March 26.—Annuity contracts are not subject to the 2½ percent state premium tax, Judge Russell Jordan held in Polk county district court here in the case of Northwestern Mutual Life vs. Iowa Insurance Department et al., for injunction to restrain collection of the 1936 tax and for recovery of \$5,000 paid by the company under protest in 1935.

Appeal from the decision will be taken to the Iowa supreme court, the state insurance department announced. Approximately \$250,000 of annuity taxes are at stake in the litigation. The court granted the injunction and ordered a credit of \$5,235 to be given the company by reason of its 1935 payment, the credit to be on the payment of premium tax of 1936 on insurance contracts.

Judge Cites Precedents

In his written opinion, Judge Jordan set out that five courts in the United States have held that annuity premiums are not taxable as insurance, and said the tax was not made applicable to annuity premiums in Iowa until 1934. The legislature, according to the court, has seen fit to give insurance companies the right to write annuity business, and thus recognized a difference in the two classes of business. The state officers introduced evidence that 27 states with insurance taxing laws similar to those of Iowa are collecting the tax on annuity premiums. The company was represented by Vincent Starzinger; appearing for the state were Attorney-general O'Connor and Assistant Attorney-general Ryan.

Cox Addresses Boston Body

John Hancock Mutual Life President Pays Tribute to Work of All Life Associations

BOSTON, March 26.—Speaking at the spring dinner of the Boston Life Underwriters Association, which was a reception to Lester O. Schriver, president National association, President Guy W. Cox of the John Hancock Mutual Life expressed his great interest in the success of the Boston and all life underwriters associations, and commended the helpful service being performed by the National association. He referred to the fact that the next national convention was to be held in Boston in September and hoped "that we all will do everything in our power to make it the most successful and profitable convention in its history."

"It is not enough to prove that life insurance agents are an indispensable group," he said. "Such a group has rights as well as duties, and it always will be necessary to demand, secure and protect these rights—rights to adequate compensation, to a fair field of competition and to the same measure of security granted to other groups. The effective way to do this is through such organizations as the Boston and National association."

Raises Agency Standards

"One of the most valuable contributions this association makes to the whole field of life insurance, and its public relations, is what it accomplishes in raising the standard of agency representation; in requiring not only honest but fair and equitable dealings between agents and the insuring public; in establishing ethical rules and practices, and in eliminating twisting and unfair methods of competition. What has been accom-

News Bureau Supervisor Promoted by Travelers

G. D. Newton, supervisor of the news bureau of the Travelers, is now being transferred to the agency department. He will begin his new duties April 1. He has been associated with the company for nine years and is well known through his handling of traffic safety publicity. Prior to joining the Travelers, he was for two years instructor in journalism at the University of Indiana, also working on newspapers in Indianapolis and at one time was head of the copy desk of the Indianapolis "News."

Gathered Accident Statistics

As supervisor of the Travelers' news bureau, Mr. Newton gathered statistics each month on street and highway accidents to be incorporated into monthly reports. He also compiled the statistics used in the annual booklets published by the company, the last one being entitled "Live and Let Live."

H. P. Barsantee, who for the past seven years has been connected with the publicity department of the National Safety Council, Chicago, has been appointed supervisor to succeed Mr. Newton. Mr. Barsantee has had many years experience in publicity and newspaper work, having served as sports writer with the "Capital Times" and "Wisconsin State Journal," both of Madison, Wis. He was graduated from the University of Wisconsin in 1925. He leaves the position of assistant publicity director and editor of "Public Safety," published by the National Safety Council.

Name Speakers for Southern Agency Officers Round Table

Dean Lee Bidgood of the school of commerce at the University of Alabama and Dr. Gus Dyer of Vanderbilt University will be the guest speakers at the dinner to be held April 28 as a feature of the Southern Agency Officers Round Table in Birmingham, which is being organized by the Sales Research Bureau. The program, which will begin at noon April 28 and continue through April 29, will follow immediately the Southern Round Table of the Life Advertisers Association.

Among the other speakers will be: Frank P. Samford, president Liberty National Life, Dr. John B. Steele, medical director Volunteer State Life, and J. M. Waddell, agency manager Pilot Life. There will be a report on Life Insurance Week plans by T. M. Simmons, manager United States agencies of the Pan-American, and Karl Jung, assistant secretary Jefferson Standard Life.

plished along these lines alone makes your association worth while.

"Every time in which any individual lives is more or less a period of change, but we have been living in recent times when change has been much faster, more uncertain and vexatious than in what may be fairly called normal times. Fortunes have been lost, businesses have been destroyed, occupations closed.

Record of Life Insurance

"The institution that has remained unshaken or has withstood all these shocks and changes a little better, or as well as any other is that of life insurance. Life underwriters are entitled to as much optimism as any group or profession; our past is the best guarantee for the future. Certainly no other business has a more solid and successful past."

Clell & Mathews, National City Bank building, Cleveland, has been incorporated to act as counsellors and conservators for insurance companies. The incorporators are W. V. Farr, H. P. Mathauer and Burt A. Stone.

Hartford Returns to Work As the Flood Recedes

HARTFORD, March 26.—As the raging Connecticut commenced to recede Monday, insurance companies began to go back to work after being totally or partly disabled for four days in the worst flood that the state can remember.

The business section of the city was totally without lights, telephones, or power for more than 48 hours. Monday, the downtown district was still using candles, and no wheels were turning. In that area are the Travelers, Aetna Fire, Connecticut General Life, Phoenix, the Phoenix Mutual Life, National Fire, and several smaller companies. On higher ground, the Aetna Life, Hartford Fire, Connecticut Mutual and the Rossia were not so badly hit.

East Hartford Isolated

The matter of transportation during the flood was so serious a one that to have maintained adequate forces during the worst period would have been impossible. No trolley cars were running. Buses could not begin to accommodate passengers. And the Connecticut River bridge which connects East Hartford and Hartford was closed Thursday noon and had not yet been opened the first of the week.

Hundreds of employees of the various companies live in East Hartford, Glastonbury, Manchester, and the rest of the area tapped by the bridge, with the torrents roaring between. In order to reach Hartford, it was necessary to drive to Saybrook and return—a matter of more than 100 miles.

Many insurance workers whose homes were in East Hartford were made refugees by the flood, as were others in Glastonbury, Wethersfield, and other nearby towns.

No Telephone Communication

A large number of men and women, who work in insurance companies but whose homes are across the river, were caught in the city when the bridge was closed, and could neither get home, communicate with their families, nor get word of the latter. All telephone communication was cut off; the bridge was closed; the river ran so swiftly that only the most hardy seamen attempted to cross it in boats; and the telegraph wires were so jammed that messages were delayed often for 24 hours or more.

The Park river, usually a small, muddy stream, runs through the center of the city, along Elm street, to join the Connecticut. That overflowed into the business district, and flooded the first floor of the magnificent Connecticut General building, and the cellars of the Phoenix and the Phoenix Mutual.

Thursday night, trucks drove up to the Connecticut General, removed securities from the vault in the basement, and placed them in a drier place. The extent of the damage to the building has not yet been determined, but was not, officials say, so great as at first had been expected.

Very Little Flood Insurance

So far as was ascertained Monday, none of the companies affected carry flood insurance, and few of them write it. The Hartford Fire, which was out of the dangerous area, occasionally writes it as an accommodation, but it has never reached any great volume.

Although the property loss in Hartford alone has been estimated as at least \$5,000,000, and that in Connecticut may run to \$25,000,000, comparatively little of that loss will be paid for by Hartford companies.

The line has never been important, because of the difficulty of obtaining sufficient volume. The businesses and householders who are immune from the danger of periodic overflows will not purchase the coverage, and those within

Average Family Must Face Emergency Every 11 Years

SICKNESS AND ACCIDENT TOLL

Northwestern National Life Gives Interesting Figures from Analysis of 384 Policyholders' Families

A major emergency must be faced every 11 years by the average American family, in the form of a serious illness, surgical operation, or accident, according to detailed family records analyzed and reported by the Northwestern National Life.

If the misfortune is illness, it will most likely be pneumonia or stomach ulcers with a probable cost of \$343 for doctor, nursing, and hospital expenses. If an operation, chances are it will be an appendectomy, at a probable cost of \$258; if an accident, it is most likely to be either an automobile crash or a fall of some kind, costing \$240 to rectify.

Report Covers 15 Years

An average span of 15 years and two months of married life was covered in the detailed reports of 384 policyholder families, tabulated by company statisticians. The families were widely scattered geographically; their reports listed all important emergencies encountered, together with costs and losses involved.

Of the 384 families, 128—exactly one-third—were able to report no serious mishaps whatever. But the remaining 256 families reported misfortunes costing them a total of \$162,860 for doctor and hospital bills, repairs, and other resulting expenses. The average monthly income reported was \$229. As the average cost per emergency was \$318, this means that just six weeks' income was wiped out by each emergency met.

Appendectomies Predominant

Of 158 surgical operations reported, 48, or almost one-third, were appendectomies. Costs incident to the birth of children were not included in the study except where unforeseen complications developed. Cases of unemployment were also excluded, due to the difficulty of arriving at a proper estimate of financial loss. Of the 384 reporting, however, 35 families, or one in every 11, have at some time or other suffered the loss of employment of their breadwinner.

those areas likely to be flooded are, of course, impossible risks.

The first company to close down was the Travelers, which sent its employees home Thursday noon. The Aetna Fire and the Connecticut General soon followed suit. The loss of elevator service was one of the deciding factors, but as lights went out and Coast Guard surf boats, canoes, rafts and scows were propelled through the streets rescuing men, women and children, almost all industry was suspended.

Guards Around Business Area

Sunday night, 1,200 national guardsmen augmented the police force, and a curfew law went into effect which required a police pass for anyone to get into the business area between 8 p. m. and 8 a. m.

Most of the offices opened Monday morning, though many of them were still without electric light or power to operate office machinery or elevators. Some were without heat.

The Connecticut General announced to all policyholders in the flood regions that they were being given an extension of 15 days in which to pay premiums due on or before April 1. The Aetna Life notified agents that policyholders, distressed by the flood, should be given every consideration.



It takes 20 years to bring up a son
... and money every month!

NOTHING A WIDOW CAN DO CAN shorten the span of years till her children are grown and ready to earn their own living. And so a father's life insurance must meet this test: that it pay the family's inescapable bills, must allow much, through all these vital years. For often no amount of scrimping and saving can make the money last long enough... and youngsters are handicapped from the start. Could this happen to your children... if you were to die now?

Most fathers have to answer this question "yes"... and so a new kind of life insurance has been developed to fit their problem. A plan that lets even men on moderate salaries have a monthly income to pay the bills till their children are grown.

Example: A young father who earns \$45 a week or more purchases one unit of the new Multiple Protection Plan. This would give his family \$100 every month for 20 years... and then a generous fund for his wife!

This unique kind of life insurance is sponsored by the Union Central Life, an institution that in its 69 years has paid out over \$700,000,000 to its policyholders and their beneficiaries.

YOU CAN LEAVE
your family a sure income of
\$100 EVERY MONTH
if you're earning \$45
a week or more

To keep your family together... to cover the inescapable month-after-month expenses... to see your children through school—\$400 a month for those most important country years. Then a fund to support your wife as long as she lives! Or you can arrange for \$75 or \$50 a month... or up to \$1,000 a month. Find out how much Multiple Protection you can really afford on your present salary; it will surprise you. Send the coupon now for full information.

There's an unusually interesting booklet that describes the Multiple Protection Plan. It will show you clearly how much more protection the plan lets you give your family—by providing money as they'd need it, month after month, instead of in a lump sum. Send the coupon for the booklet today! It will come by mail; no obligation.

Send name, address, city, state, occupation.

Please send the booklet that explains clearly how I can give my family the vital protection of money every month.

Name

Address

City

State

The UNION CENTRAL LIFE Insurance Company

A \$100,000,000 INSTITUTION FOUNDED IN 1867

Union Central Life Insurance Company, Cincinnati, Ohio

THIS full page advertisement in the Saturday Evening Post and Time Magazine reached over *three* million families last month. Thousands of fathers saw their own wives and children in that picture, were sobered at the thought of how helpless their families would be without *money every month*.

Such fathers are in a receptive mood for life insurance—for the Multiple Protection Plan... as Union Central agents have discovered. For these agents sold 12.7% more life insurance in 1935 than in 1934. And 46% of that business was Multiple Protection.

The
UNION CENTRAL
Life Insurance Company

Cincinnati



IN THIS BOOKLET are presented facts about the New England Mutual in a year which will always be memorable in its history.

The Company's second century of corporate life began April 1, 1935, and during the year many new records were made, with insurance in force and life insurance purchased reaching new peaks. *A copy of Facts will be mailed on request.*



NEW ENGLAND MUTUAL Life Insurance Company of BOSTON

GEORGE WILLARD SMITH, PRESIDENT

BUSINESS INSURANCE

By LEON GILBERT SIMON

The outstanding text on this "big premium" field is now available at only \$2.00 per copy. Address the National Underwriter.

Cash-in on the extensive publicity during "A. & H. Week—1936" April 20-25

The Accident & Health Review, Chicago, will give all details. Subscribe today. Only \$2 a year.

'Trial by Agents' Would Enliven Company Convention

By LEON GILBERT
SIMON

In a recent issue of THE NATIONAL UNDERWRITER there appears an editorial entitled "Putting the Agent on the Platform" in which you suggest that the agent be given the proper opportunity to talk at company conventions instead of the usual practice of having talks by home office officials. I would like to register my enthusiasm for the fundamental change you suggest. You say that this change has been tried on different occasions but finally was dropped because "the agent makes a rambling talk, is verbose and indulges in irrelevant recitations of personal experiences."

Therefore, it finally settles down to the question of the self-glorification of company officers or a similar ecstasy on the part of the agent. May I say that the company convention has been well recognized as a medium of education for the agents so that in the end the agents will be better equipped to sell more insurance. Therefore, anything that agents might say at a convention would have a greater value than most of the expressions of home office officials. For, after all, the agent is on the firing line and he knows something of the heat and fury of the battle with prospects.

Company Men Not All Stars

During the past several years I have participated and witnessed several conventions of different companies in addition to attending sales congresses of life underwriters associations. The sum total of my experiences has given me the valuable perspective necessary in forming some definite opinion on the matter of relative values of talks by agents and company officers. And I might add that close observation has led me to conclude that even bad, verbose talks by an agent are more desirable for the agent's edification than talks by company officers.

Your editorial contention is correct that agents as a group are not very good platform speakers. The same holds true of company officers as a group. Of course, one recognizes easily an outstanding speaker like Dr. John A. Stevenson whose masterly speaking abilities

has brought up the average of company officers to a higher speaking level. But he is an exception. And there are other exceptions, and they stand out in strong contrast to the large group of company officials who are not so gifted and who are not able to stimulate the agents to constructive selling. Indeed, there is an easily recognized weakness in allowing too many agents the opportunity to become verbose.

Trial by Agents

Therefore, I would like to suggest an idea that might partially solve the problem. Let's have a convention built on the principle of the agent relating his methods and ideas by a process of cross-examination. Let's call the convention "Trial by Agents." Suppose the platform was decorated to look like a courtroom and if necessary to dignify the occasion, some company's officer could act as judge so as to maintain order and compel the witness to answer the questions and refrain from irrelevancies. There should be an alert agent or instructor of agencies who would act as district attorney and who would ask the witnesses all questions pertaining to methods of approach and sales strategy and in fact many other important factors in the success of the witness.

There should be an examination of several witnesses by the district attorney. The qualifications of the witness should be first, that he has been a successful agent. Not necessarily a big writer. Additional witnesses could be had due to popular demand of the audience. Incidentally, the audience would act as the jury. After each witness has completed his testimony the jury could display its approval by applause and eventually the judge could decide which testimonies were the best. He could then render a verdict and award a judgment to the most successful witnesses which could be tendered in the form of prizes.

Let's have a "Trial by Agents." The experiment is worth the effort. At least the audience would remain awake.

February Ordinary Declines 14 Percent, Bureau Reports

Ordinary life sales declined 14 percent in February according to the Sales Research Bureau. This makes a decrease of 20 percent for the first two months. Sales for the 12 months ending Feb. 29 were down 7 percent. Maine, New Hampshire, Mississippi, Oklahoma, Idaho, Wyoming, New Mexico, Arizona and Oregon were the only states to show gains in February. Cleveland sales were off 7 percent, Philadelphia 9 percent, Boston 20 percent, Chicago, Detroit and St. Louis 14 percent, New York 18 percent and Los Angeles 25 percent.

The smaller companies fared best in February. Those in the \$150,000,000 to \$400,000,000 in force class averaging a 5 percent gain in February with 56 percent of the companies showing increases, and those under the \$150,000,000 a 1 percent gain with 64 percent of the companies ahead of last year. The average decline for the companies in the \$400,000,000 and over class was 15 percent with only 38 percent of the companies reporting gains.

To Honor Newark Agency

NEWARK, March 26.—The Charles J. Zimmerman agency in this city for the Connecticut Mutual Life will be honored by the company with a dinner here March 30 for the best increase in paid business for the last six months of 1935. Brief talks will be given by Vincent P. Coffin, superintendent of agencies; H.

Sullivan Asks Insurance Exemption in New Tax Bill

Commissioner Sullivan of Washington, who is president of the National Association of Insurance Commissioners, addressed a telegram to the committee in Washington which is studying the corporate surplus tax proposition. He urges that insurance companies be exempted from this tax. He pointed out that the companies must have large surpluses set up against conflagration and catastrophe perils, such as fire, flood, tornado, earthquake, war risk, etc. When such losses occur entire resources of companies are called upon and unless a large surplus is maintained, the companies could not be considered in condition to meet unusual obligations. Should this condition arise nothing short of complete demoralization and chaotic conditions would be the result, he said.

All state laws and departmental rulings look to building up of adequate surpluses of all companies to meet emergencies, he observed. Accordingly it will be economically unsound and unwise to force distribution of dividends of insurance companies. He urged that all insurance companies, both stock and mutual, be exempted from the provisions of the act.

M. Holderness, vice-president in charge of agencies, and P. M. Fraser, executive vice-president.

FHA May Affect Investments

Mortgage insurance under the Federal Housing Administration may become a considerable factor in its effect on life insurance investments. Interest is limited to 5 percent, but this is clear of fees and charges. It is true the loans are governed by various rules and limitations and subject to FHA appraisals. This is not likely to be so serious as the smallness of the loans involved.

Where the FHA insured loans are too small to interest the life companies as purchasers they will of course not be in competition with direct loans. On the other hand, the FHA loans may absorb considerable investment money and to that extent relieve competition in the investment field. Where the loans are large enough to interest the life companies the competition of course will be felt, in any case where interest above 5 percent might otherwise be available. Where a company is content with 5 percent the FHA insurance may open a loan field into which the companies might be afraid to venture without insurance. That is the field of small down payments.

Booster Meeting in Chicago

Contrary to a common belief, the FHA plan does not terminate on April 1. Unlike some other New Deal plans it is designed as a permanent measure.

So far from expiring April 1, an entire week of advertising, boosting and general publicity has just been concluded in Chicago. The FHA week in that city was inaugurated with a luncheon at which over 600 builders, real estate men, architects and others paid \$1.25 each to hear the plans expounded. Application booths were opened in hotels and department stores.

Many were surprised to learn that the Federal Housing Administration does not lend money and that it is purely a mortgage insurance plan. The FHA insurance is available for refinancing old loans, financing sales of old homes, erection of new ones, or modernizing existing structures. The only condition is that the structure involved must be mainly for housing. The owner or borrower need not live in the building on which he secures a loan.

The distinctive feature of the FHA plan, aside from the insurance, is that there can be but a single mortgage and that it be amortized on monthly pay-

ments which will extinguish the mortgage and cover service charges and taxes. Loans may run as long as 20 years, and may be made for any sum up to \$16,000, but not in excess of 80 percent of the appraised value.

The mortgage insurance is granted only through approved financial institutions, such as banks, insurance companies, building and loan associations, etc. The entire deal, however, is subjected to the most minute scrutiny by the FHA, which not only appraises the property but weighs the earning capacity and permanency of income as well as the family situation of the borrower. An elaborate application giving all essential facts is filled out by the borrower on the FHA blank. A certain number of loans are rejected on the facts shown in the application.

Terms Are Supervised

If the loan passes the preliminary test, on the facts given in the application, the next step is an appraisal. This costs \$3 per \$1,000. If the loan is approved the insurance costs one-half of 1 percent of the principal sum each year that the insurance is in force.

There is no published limitation on the fees of the loan agency or institution, but they must be amortized in the monthly payments. There must be a full disclosure of all charges and it may be presumed that their reasonableness will affect the approval by the FHA. Notwithstanding the limit of 5 percent on the interest return, it seems probable that the cost to the borrower will be about 6 percent, net, that is, covering all charges except insurance, taxes, assessments, etc.

The keynote of the opening luncheon at Chicago was the single mortgage. This means not only no second or third mortgages, but no renewal financing. It means financing a property once and for all. The FHA plan was offered as a cure for the evils of the old mortgage system, for both borrower and lender. It is claimed it will prevent losses on both sides.

Kansas Department Wins in Case of Unlicensed Agent

The Kansas department which has been working for several years to obtain evidence on which unlicensed agents selling insurance in non-admitted companies could be convicted, was successful in Douglas county, where a jury returned a verdict of guilty on six counts against J. D. Burke, charged with selling policies of the American Benefit association, a Colorado corporation not admitted in Kansas for whose southern division office Burke was working.

Each count was based on the sale of a single policy. Some of Burke's policyholders sent inquiries about the company to the department.

The department helped develop the case. Burke made no defense except to intimate the case would be appealed on the question whether the policies were insurance. They promised to pay the beneficiary \$1,000 when and if there was that amount in the fund allotted to that class, less any legal fees and other expenses incurred.

Lamar Life Mississippi Leader

The Lamar Life of Jackson, Miss., led last year in new business in its home state, its figure being \$6,102,870. In 1934 it was the leader with \$6,016,579. In 1933 its business was \$5,378,624. The New York Life was second last year with \$3,706,299. The Mutual Life of New York was third with \$3,234,835. Next came the Penn Mutual with \$2,479,056, followed by the Metropolitan Life with \$2,285,776.

TRAINING and MERCHANDISING

The Agency Department of the Jefferson Standard has presented to field representatives a new Correspondence Training Course.

The theme of the course ties in with the Company's specialized plan* of *merchandising* life insurance.

The Correspondence Training Course and thirteen "Merchandising Ideas" give Jefferson Standard agents a set-up for selling that keeps them in step with present-day sales trends.

*A series of visual presentations based on various Jefferson Standard contracts.

JEFFERSON STANDARD LIFE INSURANCE COMPANY

Julian Price, President

Greensboro, North Carolina

ANSWERS

Question—What are the Wigglesworth tables?

Answer—The Wigglesworth tables are life expectancy schedules that were an old authority, preceding the American experience table. The Wigglesworth tables are still consulted occasionally and the courts in some jurisdictions take judicial knowledge of them. They are used sometimes in figuring the possible value of life pension awards in connection with workmen's compensation cases and they are cited in damage suit cases occasionally. They are not used by the life companies today.

* * *

Question—I would like to know what percent lien was placed against the policies of the Peoria Life and for how long when this company was re-insured.

Answer—The Alliance Life of Peoria, Ill., took over the Peoria Life, Nov. 15, 1933. The lien is 50 percent, bearing interest at 4½ percent until Dec. 31, 1948. After that date the same rate as used in calculating reserves will be applied. Death claims are paid in full and the interest on the lien is not deducted up to and including Dec. 31, 1943. The lien and interest are deducted after that time. A moratorium is granted to Nov. 15, 1938, during which time no cash or loan values may be granted except for payment of the premium.

Life Insurance Expert Views Dealing with Big Lines

I. S. Stein, connected with the Lustgarten agency of the Equitable Life of New York in Chicago, was formerly in another line of business until he entered the life insurance selling field a few years ago. He has been very successful in his life insurance work and heads the Ned Becker unit in production. Mr. Stein in his work comes in contact largely with men of large affairs and corporations. The insurance needs often are complicated because of the peculiar conditions. He comments on a recent editorial in THE NATIONAL UNDERWRITER which developed the thought that harm would be done the business by those agents attempting to give advice in these large cases if they did not know their subject well and be thoroughly qualified to give sound counsel. Mr. Stein says: "The urge to make some defense in reply to this editorial has accelerated to the point where I have succumbed. In the first paragraph two questions are asked as to the qualifications of those agents of presumably higher grades, who write a large volume by setting up as estate advisors or tax experts and as to how many policies written by supposed experts are free from serious oversights or errors of judgment.

Professional Mistakes

"In other professions, such as medicine, law, etc., there are men of varying ability and genius. Can there be any question but that in these professions there exist some men who are more expert than others and, yet, who make mistakes? Does it not appear quite likely that the experts, or at least those in the life insurance business who feel and proclaim that they are a little better than ordinarily qualified along certain lines, probably make no greater percentage of errors than other normal humans who are engaged in other professions? Perhaps, some thought as to the percentage of errors made by all the attorneys who draft wills and various trust instruments might be found to be even greater than the percentage of errors among those life insurance men who try to do an expert job. In fact, some really hair-raising errors on the part of experts at law could be related.

Example of Legal Bungling

"For example, there is the case of a Chicagoan who owns \$505,000 of life insurance, divided among six companies and 34 policies of varying amounts. This insurance, as originally written, contained 12 beneficiaries who were the insured's wife, three children, three brothers, three sisters, father and another relative. Along in 1930 the attorneys for this insured, who was at the time worth about \$1,000,000, recommended the preparation of a new will and that the proceeds of the life insurance policies should be made payable to a trust company. The attorneys for the trust company co-operated. In 1934 an insurance expert prevailed upon this individual to allow the insurance expert to examine the various policies, life insurance trust agreement and will. The insurance man discovered that the life insurance trust agreement had omitted the inclusion of the insured's three sisters and one of his brothers, leaving only eight beneficiaries under the life insurance trust instead of 12. He also discovered a clause in the life insurance trust agreement that provided in the event the insured-trustor left a valid will in which the same trustee was named for his general estate as was named for the life insurance trust, the proceeds of the life insurance payable to that trustee were to be merged and held with the property left under the will, in accordance with the terms, conditions and provisions of the will.

"The insurance man upon reading the will observed that the same trustee was

named and that under the will the only beneficiaries of the testamentary trust were the insured's wife and three children and that the wife was to receive all of the income until the oldest child reached age 30 or would have reached age 30, if living, and that thereafter all of the income and eventually, the corpus of the trust were to be distributed entirely among his three children. In 1934 the oldest child was 13. Had this insured died while the will and life insurance trust agreement described were in force, there would have been absolutely no provision left in effect for any of the insured's sisters, brothers, father and other relative, except that his wife would have received all of the income until 1951 and then would not have received another cent, all going to the three children. Needless to say, the insured's attorneys, as well as the attorneys for the trust company, were considerably embarrassed by the discovery of this grossly erroneous failure to carry out the intent of the insured as to the entirely separate administration of the life insurance proceeds for the benefit of twelve beneficiaries and the testamentary trust separately for the benefit of his wife and children only.

Life Insurance Trust Revoked

"I may state further that on the very day this was brought to his attention and the several firms of attorneys were called in to verify their error, within two hours thereafter, the life insurance trust was revoked and preparation immediately made for drafting a new will and trusteeing the life insurance proceeds with the respective life companies. Does it not seem that an error in which eight beneficiaries were omitted completely is a far more grievous one than a possible error in judgment as to whether a beneficiary would have \$125,000 to avoid serious sacrifices of other property instead of being assured of an income for life?

"In the next paragraph of the editorial is discussed an actual case in which an insured's daughter was left two policies, one paying her an annuity and the other giving her only the interest on \$100,000

(CONTINUED ON PAGE 12)

AD BRIEFS

CLOSING ADVERTISING LEADS

Some of the general agents, whose companies have been engaged in national advertising campaigns, say that their agents are able to close about one out of six inquiries that come from such advertising. The general agents check the success of their agents closely in this work to determine which ones have the greatest closing ability. Those who make best use of the leads are given an increasing number of them. For instance, in one agency, where the ratio of one to six prevails, one of the agents has demonstrated unusual ability in this work, closing one in three, and he naturally is favored when it comes to the assignment of names.

PRESENTS COMPOSITE AGENT

The Penn Mutual in its current advertisement in the "Saturday Evening Post" publishes a composite picture of 60 agents of the company. The Penn Mutual learns from an expert photographer that a composite picture of 60 agents of any other company would not have a similar countenance. Even as each individual in a specific group is different, so each individual in another similar group would vary from all the others, and from the 60 in a first group, thus creating a wholly different composite, no matter what company tried the experiment.

Southern "Ad" Men List Round Table Speakers



T. J. HAMMER

The program for the annual meeting of the Southern Round Table of the Life Advertisers Association in Birmingham, Ala., April 27-29 is announced by T. J. Hammer, Protective Life, chairman. Speakers will include D. Bobb Slattery, assistant vice-president Penn Mutual and president of the Life Advertisers Association, on "Our Job, to Help the Agents;" William Murphy, Rough Notes Co., "Trade Paper Advertising;" Rex B. Magee, advertising manager Lamar Life, "All-Year Service to Policyholders;" John W. Murphy, supervisor ordinary department Life of Virginia, "Giving the Agent the Correct View of our Advertising;" Arthur Tager, president Advertising Corporation of America, "Novelty Advertising;" Karl Ljung, assistant secretary Jefferson Standard Life, "Sales Campaigns;" R. G. Richards, agency secretary Atlantic Life, "How a Life Insurance Man Should Improve Himself;" Bart Leiper, advertising manager Provident Life & Accident, "Dramatizing Our Advertising;" and C. C. Fleming, editor of publications, Life of Virginia, "Publications."

A joint banquet with the Life Insurance Sales Research Bureau will be held the evening of April 28 with Dr. Gus Dyer of Vanderbilt University and Dean Lee Bidgood of the University of Alabama School of Business Administration as the chief speakers.

A number of companies are arranging exhibits of mailing pieces, agency aids and other advertising matter. Emmett Russell, Life & Casualty of Nashville, secretary of the Round Table, is in charge of exhibits.

Emmett Russell, Jr., Life & Casualty, Nashville, exhibits chairman, announces the exhibits classification for the round table meeting, which is: (1) Trade paper advertising (company information to the field); (2) national advertising (company information to the client) a, newspaper, b, magazine; (3) folders and leaflets, a, for the best single folder, b, for best group of folders; (4) booklets (stitched or sewed) a, to prospects, b, to company; (5) other printed material, a, policy jackets, b, greeting cards, c, calendars, d, gummed stickers, e, labels, f, decalcomanias, g, premium notice enclosures; (6) blotters, a, for the best single blotter, b, for best series of blotters; (7) direct mail, a, letters, b, envelopes, c, circulars; (8) sales promotion (material given or sold to agent to be used in soliciting of business), a, sales kit, b, visual selling, c, briefs, d, qualifying for conventions, e, special campaigns, f, miscellaneous; (9) agency promotion (material sold or given for personal instruction to agents for selling); (10) publication to agents (home office publication to encourage and help the field); (11) publications to policyholders; (12) conservation program.

C. B. White Is Entering the Washington Arena

SEEKING COMMISSIONERSHIP

Will Likely be the Opponent of W. A. Sullivan in the General Election in November

SEATTLE, March 26.—The first indication of a contest for the office of Washington insurance commissioner, which is held by Wm. A. Sullivan, president of the National Association of Insurance Commissioners, appeared this week when C. B. White, past president of the Insurance Agents League of Washington, announced his candidacy for the office. Mr. White will file on the Republican ticket for this September's primaries. Mr. Sullivan is a Democrat.

In Washington, the insurance commissioner is elected for a four-year term. Commissioner Sullivan's term will expire on Jan. 11. He has already declared his intention of making the race again and is considered certain of the Democratic nomination.

First in the Ring

Although several other Republicans have announced their intention of running for the office, Mr. White is the first candidate to toss his hat in the ring that will make much of a noise in the campaign. He is one of the best-known stock company agents in the state, one of the old guard in the agency organization ranks, and has for a number of years been serving as national councillor for the Insurance Agents League of Washington. He has also held the office of president of the state association and served two terms as president of the King County Insurance Association.

He has had extensive insurance experience and also has a legal background, being a member of the Washington Bar Association. A native of Ada, O., he moved to Bellingham, Wash., with his parents while still a boy. He entered the University of Washington and received two degrees, an A.B. and an L.L.B. Subsequently he served as clerk in the superior court at Seattle and in 1910 joined the corporation counsel's staff.

He entered insurance in 1914 as claims attorney for the National Surety at Seattle and later was made general attorney. In 1922 he was given the position of branch manager. Leaving the National Surety in 1925, he became insurance manager for the Sparkman, McLean Co., agency which was later expanded and the name changed to Sparkman, McLean, Newell & White. In January, 1935, Mr. White opened his own agency in Seattle under the name of C. B. White & Co.

While Mr. White's candidacy has not been endorsed by any insurance organizations, he has the backing of a large number of local agents who are concerned with the prospect of a swing to the Republican party at the November final election. Washington is normally a Republican state. Commissioner Sullivan was swept into office in the Democratic landslide of 1932, displacing the late H. O. Fishback.

Programming Is Discussed

Discussion at the breakfast meeting of the Houston chapter, C. L. U. on programming elicited the observation that this type of selling is costly, involving as it does much work for which the agent receives no compensation. Suggestions were made as to how program selling might be modified and applied to both large and small cases with actual service work being deferred until a sale has been completed. In this way the agent's services are used only when a commission is being made on new insurance.

Little Gem Chart Near at Hand

The publication of the new 1936 "Little Gem Life Chart" will be off THE NATIONAL UNDERWRITER press early next week. The "Little Gem" is the convenient sized "pocket" reference book containing comprehensive information on the policy provisions, rates, values, dividends, and cost illustrations on some 145 life companies, together with a five-year financial and business report on 250 companies. Thus it provides users with some information on practically every company, and is the only inexpensive reference book with so broad a scope.

Many New Special Illustrations

Numerous new illustrations of special policies such as the family protection, modified, adjustment, and other "special" policies and also retirement contracts are provided in the new "Little Gem." Among some of these new showings are Net Cost-Net Payment illustrations of the special forms. The "Little Gem" is famous for its Net Cost-Net Payment illustrations, it being the only chart in its price range that subtracts the dividend from the rate, and thereby saves the user this calculation. Detailed summaries giving total premiums, total dividends, total net and average net costs as well as the cash value, cost if surrendered, and average cost if surrendered, given both for 10 year and 20 year periods, are an essential part of this exclusive feature. These illustrations, given at every age for ordinary and at five year ages for 20

pay and 20 year endowment, are shown for all participating companies. Another new and particularly useful feature of the new "Little Gem" is the showing of cash values at ages 60 and 65, ages seldom given in the contract itself.

Scope of the Information

For a typical company the "Little Gem" gives first the policy provisions carefully analyzed into standardized paragraphs that can be quickly grasped. Following this, premium rates are shown at every age, together with the disability and double indemnity rates. Cash values are then shown on four to six or more policies per company. For participating companies the Net Cost-Net Payment illustrations follow. Special sections of the "Little Gem" are devoted to dividends on paid up policies, annuity rates, term rates, and term dividends.

Since the last "Little Gem" was issued, many companies, both large and small, have made important changes in their premiums and dividends. In view of all these changes and the many new showings of special policies in the 1936 "Little Gem," a new and up-to-date "Little Gem" is of vital importance to all progressive agents.

Deliveries of all copies ordered in advance will be made as quickly as possible in sequence as they are ordered. The single copy price is \$2 and copies may be ordered for prompt delivery from The National Underwriter, 420 East Fourth street, Cincinnati.

Disability Payments Go to Trustee in Bankruptcy

The United States Supreme Court in Legg vs. St. John has held that income disability benefits for a bankrupt assured are payable to his trustee in bankruptcy.

The lower court upheld the order of its referee that the assured should receive \$40 a month as income exempt under the Tennessee law, but the balance of the monthly payments under the disability clause should go to the trustee.

The supreme court held that inasmuch as Legg had become disabled before the adjudication, the insurance company's obligation to make benefit payments monthly thereafter was property of the bankrupt which passed to the trustee. Disability benefits are not "insurance" within the meaning of section 70 (a) of the bankruptcy act. The term "insurance" as there used refers only to legal reserve life insurance in which a cash surrender value is a recognized incident. The life policy and the disability contract were executed as distinct instruments. The obligation of the insurer to pay disability benefits is property which was acquired by Legg long before the adjudication and fully paid for by the premiums paid before the adjudication. Nor are the benefits payable after the adjudication in any sense future earnings. Like other property, it passed to the trustee, unless exempted by the law of the bankrupt's domicile. No statute of Tennessee exempts disability benefits.

The intermediate appellate court of Tennessee has held that the statute exempting life insurance does not apply to disability benefits payable under a so-called health insurance policy.

Cites Big Estate Problem

Speaking before the Abilene, Tex., Lions Club, Leo J. Mollett of Dallas, assistant agency director Southwestern Life, said that only 40 percent of the liabilities of an average large estate are created during the owner's lifetime. The remaining 60 percent piles up after his death due primarily to increase of taxation.

Private Agencies Seem to Be More of a Factor Now

According to an analysis made by the Federal Home Loan Bank Board, 1933 marked the low ebb of home financing activity, while in 1934 the greater part of all urban home mortgage loans made represented emergency relief through the HOLC. Last year the resumption of home loan activity by private lenders reflected the end of the emergency, according to the loan bank board and included a volume of private mortgage loans for new home construction more than twice as large as any previous year since 1931.

Figures for Last Two Years

In 1934, the HOLC made loans in the amount of \$1,993,000,000, which was about 80 percent of the entire estimated volume of urban home financing done by all institutions that year. Last year the estimated total volume of urban mortgage financing was \$1,702,000,000 and the volume of loans made by the HOLC was \$816,000,000, or less than half of the 1934 figure.

About 55 percent of the estimated \$220,000,000 total mortgage loans made by all private institutions in 1935 for new small home construction, and excluding \$60,000,000 of loans made on new homes by individual lenders, were placed by the 3,500 member institutions of the Federal Home Loan Bank System. These member institutions last year made total home loans in the amount of \$347,000,000, or about 44 percent of the estimated \$776,000,000 total home mortgages made last year by all private institutional lenders for all purposes.

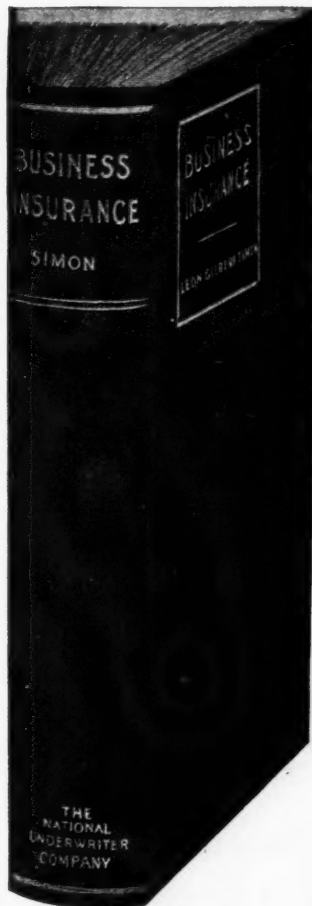
St. Paul Entertainment Plans

The Insurance Exchange of St. Paul has appointed a committee headed by George Radcliffe to make arrangements for the annual meeting of the Insurance Federation of Minnesota in St. Paul the second week in June. The Exchange is also planning a dinner for the insurance commissioners who will be in the city for the mid-year meeting of the National Association of Insurance Commissioners the same week.

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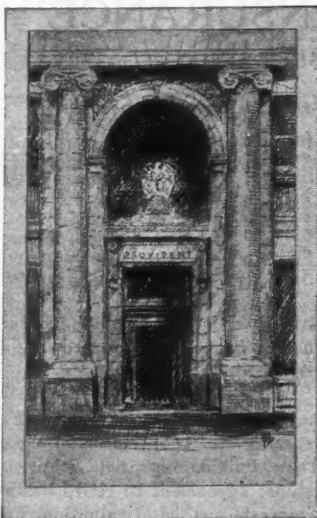
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... Two of the largest months in production for the Provident in the 49-year history of the Company.

With steady additions in Agency organization, even greater records are indicated.

We congratulate the enthusiastic Provident Fieldmen in 35 States who are making fine old records look pale.

PROVIDENT
Life and Accident
Insurance Company
Chattanooga "Since 1887" Tennessee

Annual Statement PREVIEW

Increases in—	Decreases in—
Insurance in Force	Mortality
New Paid Business	Lapse Rate
Contingency Reserve	Real Estate Owned
Interest Rate	Policy Loans
Income Saved	Premium Notes

These are some of the highlights of our Forthcoming Annual Statement.

MONTANA LIFE
Insurance Company

Enduring As The Mountains

Helena

Montana

R. B. RICHARDSON, Executive Vice President

Kenagy Welcomed to New Work



H. G. Kenagy is shown here being welcomed by the officers of the Mutual Benefit Life as he embarks upon his new work as superintendent of agencies of that company. Heretofore he has been assistant manager of the Sales Research Bureau. From left to right are shown J. S. Thompson, vice-president and mathematician; J. R. Hardin, president, Mr. Kenagy and E. E. Rhodes, vice-president.

Life Insurance Expert on Dealing with Large Lines

(CONTINUED FROM PAGE 10)

until she reaches a certain age, which will occur in 1950, when the principal becomes hers. Then, the statement is made that, unfortunately, the depression upset her father's affairs and in the settlement of his estate, she needed \$125,000 to avoid serious sacrifices. The further statement is made that she offered the \$100,000 contract for sale at \$80,000, and promised a life insurance man 3 percent commission if he made the sale. The editorial comment is that thus she was sacrificing \$22,400 in a wonderful investment in order to raise cash, but at last accounts had not found a buyer. The facts that are stated regarding this case appear to be far from sufficient to render critical judgment. In the first place, there is no indication of the discussion which lead to the arrangement provided in the policies. It is not stated what the insured's ideas were. It is not stated what the recommendations of the life insurance agent were or whether only part of the program had been arranged for.

Information Is Not Complete

"Nothing is said as to whether the insured had other insurance intended definitely to take care of liquidation costs or to prevent any forced liquidation of his estate in the event of his death. As the two insurance policies were set up, it is quite possible that there may have been a spendthrift clause in the policies, in which event, there could have been no possibility of making a sale of the \$100,000 interest contract. It is also possible that the insured may have visualized just such a situation as was encountered and may have preferred that his daughter be assured the income for life under the annuity and wanted her prevented from making a sacrifice of the life insurance proceeds in order to try to save other property or investments which he knew would be of a far less stable and less certain character.

May Not Have Large Outside Estate

"A man, to have the amount of life insurance indicated, need not necessarily be possessed of a very large outside estate and, therefore, it might have been quite likely that the \$125,000 needed to avoid the sacrifice of some or all of the miscellaneous estate would have been just that much more money that would have gone to pot and would not have assured his daughter the freedom from financial worry that her father wanted her to have. I call your attention to the words in the editorial, 'Sacrificing \$22,400 in a wonderful investment.' Clearly, the editorial description itself seems to indicate the undesirability of sacrificing the wonderful investment in life insurance for the purpose of avoiding other sacrifices. Furthermore, the whole \$100,000 would have been insufficient to meet the \$125,000 needed to avoid such serious sacrifices. Whence would the other \$25,000 to \$45,000 needed have come?

Who could have judged, during the insured's lifetime, what amount of life insurance money was necessary to provide for the prevention of such serious sacrifices?

"The editorial does not state the size of the policy providing for the daughter's annuity or the income she is deriving therefrom. If this other policy was also for \$100,000, it seems quite definitely certain that the daughter had an income of at least \$8,000 per annum, which is sufficient to live comfortably, though not, perhaps, luxuriously. In any event, without far more knowledge of the situation which existed during the insured's lifetime, it hardly seems fair to criticize the pre-elected disposition of the life insurance proceeds.

Discusses Tax Saving Plan

"Following the first two paragraphs, there is a discussion of tax saving plan that was offered to a closed corporation, with a proposal to set up a nominal pension plan with rules that would enable the principal owners to go in heavily for pensions instead of paying dividends. The statement is made that as soon as the solicitor had shown the tax exemptions to the corporation and to the stockholders, he intimated he was ready for the confidential information that would enable him to go further. Then, the editorial states, that the solicitor completely overlooked the fact that the pensions would be taxable, and that they would come in a higher bracket than any previously reached by the taxpayers. Again, arises a question as to all the facts. Was the pension plan purely a nominal one or was it really designed to provide, along with the tax-saving, pensions for the officers and other of the most valuable employees of the corporation? Can it be denied that pensions for officers, even though stockholders, and for the more valuable employees of an organization are of material value from the standpoint of furnishing greater peace of mind and security to them, so that even more of their time and thought is freed for the benefit of the employer? Can it be denied that loyalty and continuance of service is greatly enhanced by such pensions?

"Was consideration given to the true economic value of arranging for the more valuable employees, in view of the social security act, pensions which would

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Inquire of
BEN S. GRAHAM, Vice Pres.

**UNITED STATES LIFE
INSURANCE COMPANY**

101 5th Ave.

NEW YORK

be proportionate to their higher salaries, something impossible through the government plan? Then, arises the question as to whether the solicitor said that the proposed plan was suitable for the particular corporation. Did he, when he asked for the confidential information to enable him to go further, state that, upon securing such information, he would indicate whether or not the plan was a practical one for, and would benefit that particular organization? Did he indicate that if he thought it impractical for the particular corporation, he would be the first one to suggest that the plan had no place with that particular corporation?

"Was there any discussion as to the ages of the principal office-holding stockholders, some of whose dividends would be used for the plan, and who might need to take their pensions at so early a date that they would be thrown into much higher income tax brackets, if they continued to own their stock and to draw salaries and all other emoluments which they would have received otherwise in addition to the pension? Was there any discussion of the fact that many shrewd business men and investors will not take profits and establish large capital gains during a period of high taxation but will wait until the high levels of taxation begin to recede, as they invariably have done during period of increasing prosperity? Was any thought given to the probability then, that when the time came for the payment of pensions, which would be taxable, that the income tax rates might be very much lower? That, perhaps, five years, 10 years or so hence, it is quite likely that we may be back to much lower levels of taxation than we have had in very recent years?

Further Inquiries Made

"Was consideration given to the fact that such money as would otherwise have been paid in dividends, would ordinarily be invested and reinvested by the office-holding stockholders in various securities, and that, assuming no loss of interest or principal, would compound and result in increasing their incomes at the same age for which pension payments were planned? Was consideration given to the fact that with the establishment of the pension plan, assuming even that the present tax rates remained in force indefinitely, the net income due to the annuity principal, after payment of taxes in the higher brackets, would nevertheless be greater than the income based upon accumulations through investment and reinvestment? Was consideration given to the greater certainty of such income as compared with the possibility of loss of income or principal insofar as some of the other forms of investment are concerned? Having gotten all this off my chest, I ask you, 'Was the Editorial Fair?'"

Extend Electrocardiograph Tests to Smaller Assured

NEW YORK, March 26.—Life companies having standardized requirements for electrocardiograms and chest x-rays are now requiring these tests where smaller amounts are concerned if the applicant is age 45 or more. These companies include nearly all the larger life carriers.

At ages 46-59 cardiograms and x-rays are demanded if the total applied for in all companies is \$100,000 or more and would bring the applicant's total coverage to \$200,000 or more. At ages 60 and upward the tests are required where the total applied for is \$50,000 or more and would bring the total coverage to \$100,000 or more.

The previous requirement for all ages which still stands for age 45 and below, is the cardiograms and x-rays where the total applied for is \$100,000 and would bring the total coverage to \$300,000. The lowering of the figures for the older ages reflects the greater reliance which is being placed in the electrocardiograph and x-ray and the need for relatively greater caution in underwriting large amounts in the higher age groups.

Poignant Message From Policyholder

Frank Gagen of the Hobbs agency of the Equitable Life of New York in Chicago, recently received the following letter that he treasures from a policyholder and one that in poignant fashion brings home a message that agents every day are seeking to convey to prospects.

Dear Frank:

Acknowledging your letter of yesterday, I would gladly increase my life insurance—\$50,000, if you could place it. But you couldn't. For tomorrow I am to be operated on for cancer, and the doctors tell me that my chance of survival is one in 20.

This news will surprise you, since it is less than a year ago that your examiner passed me—the fourth time in 10 years. I am trying to be hopeful, but there is an oppressive solemnity in the thought that this may be my last day on earth.

I have been putting my house in order. It did not require an expert accountant. My assets are: (1) Cash in bank, \$341; (2) household and personal effects, not worth selling; (3) life insurance, \$30,240.

Liabilities are: (1) Mortgage on house, \$4,500; (2) household monthly bills, \$195.

This is my financial exhibit after 16 years in business. Not a strong showing for a man of 37! But I began on nothing, and had to work my way up. Just as things are beginning to come my way, I find myself on the brink of the unknown.

Comfort in Insurance

My only comfort in this crisis is my life insurance, and I honestly thank you, Frank, for your counsel and persistence. Sometimes I have almost hated you for loading me with such a burden. On a yearly income never higher than \$3,800, it has been a big strain to carry \$30,240. Last year out of every dollar I earned, 16 cents went for life insurance premiums.

But it was worth the sacrifice. What else would I be leaving behind today? If I had banked the amount of the premiums, my savings would have been less than \$4,000. And I doubt if I would have saved even that much, for sometimes it was a terrific struggle to pay the premium, and only the fear of forfeiture forced me to it.

If I do not come out alive, the funeral expenses may be paid by that weekly premium policy of \$240 which I have carried just for that purpose; and the \$5,000 policy I took out when I built my house will wipe off the mortgage, leaving \$25,000 clear. This even at 4 percent would yield an income of \$1,000, which, with no house rent to pay, should make Nell and the boy fairly comfortable.

I face the uncertainty of tomorrow with neither remorse nor worry, and I owe this peace of mind largely to you. You helped me choose the wiser course. Ten years ago I confidently looked forward to riches and old age. Tomorrow, life and its opportunities may be cut off. My air castles will have tumbled, and my cherished hopes may be as dead as my flesh.

However, through life insurance my family will receive some of the money I did not live long enough to make. They will have a home and a sure income for life—things which even had I lived I could not have guaranteed to them because of the uncertainties of health and of business. Life insurance has done for my family what I could not do myself. My own experience is a conclusive demonstration of its blessed service to humanity.

It may seem strange for me to write you thus from my graveside, as it were, but I wanted you to know of my heartfelt gratitude to you, and the great cause you represent.

Sincerely,
Howard.

Are You Interested In:

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Guarantee Mutual policies are unrestricted, except to conform to Insurance laws and rulings.

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Less than a half dozen American companies are as low. Check your compendiums.

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As nearly true and equitable as is possible to create. Has not been reduced since adoption four years ago.

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Few American companies can equal the low net cost of Guarantee Mutual policies.

If we have ALL of the above features to offer, PLUS a place to use YOU—if you are above average and there is a reason for you to be interested in a liberal General Agents contract—tell us your complete story.



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LICENSED IN TWENTY-FIVE STATES AND THE DISTRICT OF COLUMBIA

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of California

Old Time Legal Reserve Life, Accident and Health

V. H. JENKINS, Vice President
In Charge of Production

HOME OFFICE: LOS ANGELES
CALIFORNIA

COUNTRY LIFE INSURANCE COMPANY is finishing the first quarter of 1936 with a 14% increase over the same period of 1935.

Here are a few interesting accomplishments:

This company has never lost a penny on any of its agents. The company takes no notes. All agents pay the premiums in full to the company, and receive their commission check from the company.

The company has never lost a penny on investments.

90% of the original general agents of seven and a half years ago are still with the company.

The company did business in every county in the State of Illinois in 1935.

We will be seven and a half years old on the last day of July, and we have set our sights for \$100,000,000 in force at that time.

For further information about this company address

COUNTRY LIFE INSURANCE COMPANY

608 South Dearborn Street

Chicago, Illinois

L. A. Williams, Gen'l. Mgr.

Reputation

Means a lot to us. We are proud to be known throughout the West as the "fair practice" company. It is our constant endeavor to strengthen this reputation by - -

—Declining to talk with any life insurance agent about a connection except after reference to his company's Home Office or Manager.

—Never accepting applications which involve twisting.

—Refusing to lower our standards to get business when in competition.

—Aiding the Institution of Life Insurance by swelling our ranks with NEW and GOOD men from outside the business rather than direct our Recruiting effort toward the Agents and Managers of other life insurance companies.



**California
Western
States
Life
Insurance Company**

HOME OFFICE:
SACRAMENTO

O. J. LACY
PRESIDENT

CONFIDENTIAL TALKS WITH OFFICIALS

(CONTINUED FROM PAGE 1)

such classifications. For now that the promoter type of executive has been frozen out of the business, except in minor instances, it may generally be accepted that the presidents and other executive officers of all well established companies are accepting, with all its implications of near approach to sacredness, the trusteeship that has been imposed on them.

Startling Bit of News

So, let us start with some memoranda in my note book that will be news.

Here is a company—one of the largest in its section—that has deliberately set a limit on the amount of new business it will accept this year of 75 percent of its potential quota.

No news in that, you say? It has been done before?

But wait until I tell you the reason underlying this rather unusual action. It lies in the fact that the company believes it owes it to the other companies of the section in which it operates to lay off after it has secured this self-imposed quota so that the smaller companies in its territory may have a better chance to obtain new business and thus strengthen their position!

Will Help Smaller Companies

As proof of its sincerity I offer the fact that it is taking great pains to see that these smaller companies shall not learn of the step it has taken. And to make it doubly certain that its secret shall not be divulged, its newly adopted policy has not been announced to its agency force or to any but the top executives who were in on its formulation, so that it may not leak out and be misunderstood.

There is a text for a sermon or a worthy theme for a talk before any noon-day club or other gathering of business men!

A company engaged in one of the most highly competitive businesses in the country, with all the advantages of relative size, momentum, organization and finances, actually limiting itself with regard to the amount of new business it will accept this year, for the purpose of helping to strengthen its smaller competitors! . . . If that isn't news in the life insurance business, what would be news?

Two Disintegrating Practices

"To my way of thinking there are two practices too often followed by life companies," said this executive to whose views on any subject I would accord the deepest respect, "that inevitably lead to results that are harmful to the entire institution and, therefore, to each company and the public.

"The first arises in a 'dog eat dog' attitude; the second is what I will inelegantly designate as a 'hog the business' attitude.

"Under the first there has been followed, to a considerable extent, the all too common practice of living upon the business of other companies. This is especially true when the agent of a relatively large company, such as ours, runs into a policyholder of a smaller company. Leaving out of consideration the tendency to twist the business that all well informed life insurance men know is being followed every day, the agent of the larger company has every advantage that will make effective his opportunity to compete successfully for this business. He has the size of his company about which to talk. We all know how impressive size becomes when properly presented to a prospect. Then he has other advantages that must not be lost sight of, such as larger quantities of printed matter that usually has been better prepared and all the force of a more widely publicized company, as well as other factors that a smart agent will be quick to take advantage of.

"Now it is all right to talk about the ethics of the business and all that sort of thing to which we all subscribe in

principle, but you and I know that unless these ethics are being enforced by the home office of the larger companies, this policy of 'dog eat dog' just naturally tends to result in the companies of larger size living, to a very considerable extent, on the business already written by the smaller companies. This, in turn, greatly increases the costs of the latter and in that way jeopardizes the interests of their policyholders and the welfare and stability of the institution.

"Of course the market for life insurance has not as yet reached the absorption point. There are millions of people who have no insurance and other millions who haven't enough. It is my firm conviction that until all companies start to concentrate their sales efforts on these classes of prospects and train their field men to lay off all efforts to take the business now in force away from others, the solution of the question, 'What is wrong with life insurance practices?' will never be arrived at.

Hog the Business Attitude

"But even if all companies were to do this; if all companies were to refuse absolutely to accept the application of a prospect where the slightest suspicion existed that he intended to replace an existing contract and were to confine their sales efforts entirely to the market for additional or new coverage, there would still remain a serious obstacle to the advancement of the institution and the interests of insured and the public unless the tendency of the larger companies to 'hog the business' were eliminated.

"For here again the company of larger size has all the advantages over its smaller competitor—advantages of momentum, publicity, better and more printed matter and other sales helps and the specious arguments that in size reside the factors of strength and safety.

May Be Too Great Concentration

"Now it is the firm conviction of our company, arrived at after much careful consideration of these and many other factors, that the most dangerous tendency the American people face today is that of too great concentration of power and money—the symbol and tool of power. We do not believe that it is possible for any group of men to be possessed of sufficient omniscience as to sit in Washington and successfully run every detail of the lives of the American people. Likewise, we feel that it is possible for the life insurance business of the country to become too greatly concentrated in the hands of a few companies. There are many reasons for this conviction that you and all thoughtful men will readily understand.

"We also believe that every soundly managed life company serves a very useful purpose and has the same right to live as we have. In fact it is our conviction that the smaller companies, were they to devote more of their attention to the needs of the people of their immediate territories, instead of spreading themselves out thinly over numerous states, would enter a sphere of usefulness that would sooner or later make them impregnable to the assaults of outside competition.

Plan to Help Lesser Companies

"We have a very deep-seated institutional feeling that has its basis, perhaps, in selfishness but that is nevertheless entirely sound. We feel that anything that hurts one company hurts all companies. If anything is done to jeopardize the safety of one of our smaller competitors the results are bound to reflect upon us. Therefore, it is our intention to do everything reasonable to make it easier for the smaller companies in our territory to write business, lower their costs and prosper.

"In line with these convictions we have decided that hereafter we, for one, are not going to take advantage of our position that to a considerable extent

would permit us to 'hog the business' of our territory. So we have set as our maximum quota of new business to be accepted this year 75 percent of the volume that we have every reason to believe that we could write so as to leave this additional 25 percent open to our smaller competitors which know nothing whatever about our plans and purposes and which might, quite possibly, misunderstand them were they to learn of them.

No Patience with Replacements

"Furthermore, we have issued strict instructions to all our agents to let alone all business now in force with other companies and we have warned them that in all cases where it is evident that applications submitted to us are for insurance that will be used to replace existing contracts of any company it will be refused and that in all cases where twisting is even suspected we will make an investigation and if the information forthcoming confirms our suspicions, the application will be rejected. Believing as we do, consistency demands this action."

Larger Company Will Profit

I have no way of knowing if my executive friend ever heard of the golden rule. He probably has. He has also doubtless heard the more vulgar adaptation, "Cast your bread upon the waters and it will come back as cake, thickly iced with chocolate or other goodies."

But whether he has heard of these rather too frequently forgotten adages and is motivated to some degree by the profit appeal therein held out, I still believe in the fundamental sincerity of his motives. In any event, it is my guess that his company will profit handsomely, directly or indirectly.

I believe that its direct profits will come through such results as improved risks, greater average longevity of contracts and consequent lowered cost of operation. I believe that a higher standard of performance will be maintained by its agency force, that it will attract a better grade of salesmen and that all this will inevitably result in each accepted applicant being more thoroughly and better sold. It has already reduced its agency force by eliminating all part time men and "marginal" producers.

Good Will Bound to Result

In the way of more indirect profits I see effects of this sort of constructive support of other companies operating in its territory resulting in increased good will for this company and the institution of life insurance and a stabilizing effect from all such efforts in the direction of declaring a holiday on all "dog eat dog" and "hogging the business" tendencies and practices that have, without doubt, had much to do with whatever of skepticism toward life insurance that may have been created in the minds of the public.

I claim that this is a fine example of institutional thinking at its best. I believe that when any reader sits down and ponders this action and all its implications, he will find much food for thought and will give great credit to the executives of this unnamed company that is seeking no glorifying publicity of its commendable policy.

It takes "guts" for the heads of any business to adopt such a policy. But "guts" is not such a bad asset, after all.

Holtz Heads West Va. Body

D. D. Holtz of Huntington, W. Va., for the past year vice-president of the West Virginia Agency Association of the Northwestern Mutual Life was elected president at the closing conference in Wheeling. He succeeds Arch H. Bulard, of the Wheeling office. J. C. Law, of Wheeling, was elected vice-president, and George Case, of Wheeling, reelected secretary. Arch H. Bulard, retiring president, presided at the meeting. Plans were made for the meeting of the Agency Association which will be held at Jackson Mills, W. Va., in September. The initial meeting was held at that place last year and proved a big success, with the wives and members of the families of the insurance men attending.

Calendar Only Paper Out of Water; Writes on It

Ira M. Witt, general agent Union Central Life at Williamsport, Pa., has his own story to tell of the flood which caused unprecedented damage to that community. The first message to reach the home office in Cincinnati from Mr. Witt was written in pencil on the backs of two sheets of a wall calendar. It was the only paper in the office that remained above the water line.

"Came to the office this morning (Thursday, March 19)," wrote Mr. Witt, "in water. Found office with eight inches of mud. Water was three feet, eight inches in office."

"Came to office Monday night about 11:30, put everything I could up on desks but had to leave before I could get everything put away. River came up to 35 feet and caught me in water up to my knees."

"I worked all day Wednesday helping to get people out. So far as we can learn only two lives were lost. Fire broke out and cleaned up one whole block, just one block from the office. We are without telephone and telegraph service. No train service. Flood 18 inches higher than 1889 flood. Town is under martial law and cannot get in business section without pass."

"No mail yet. . . banks will not open until next week . . . until martial law removed people cannot get to office."

Clarence Schultz Is President

Former Secretary of Federal Reserve Life Succeeds Alex Green as Chief Executive

KANSAS CITY, KAN., March 26.—Clarence Schultz has succeeded Alex Green as president of the Federal Reserve Life. E. R. Sloan has resigned as general counsel and is succeeded on the board by Mr. Schultz. Mr. Green remains on the board.

J. H. Sandell, who has been treasurer also becomes secretary. Mr. Schultz had been secretary since last June. He was manager of the underwriting department for six years and was for seven years office manager of the Farmers National Life.

Paul Lanning, manager of the Western & Southern Life at Ambridge, Pa., for the past three years, left for Newport, Ky., where he will assume the management of that district. B. D. Brubaker, who has been connected with the Ambridge office for the past two years, has been appointed to succeed Mr. Lanning.



A NEW NATIONAL ADVERTISING CAMPAIGN

Mutual Benefit men like the way the Company's advertising for 1936 is opening doors for them. "You'll find our representatives capable advisers," the advertisements say. "They can discuss any type of sound insurance. They can tell you of the Mutual Benefit's strength, how it has paid a dividend for every one of its ninety-one years and that no other company has a more liberal record. Keep a door open for the Mutual Benefit man when he calls."

The MUTUAL BENEFIT LIFE INSURANCE COMPANY

HOME OFFICE • NEWARK • NEW JERSEY

TAKE BOTH Life men who write automobile or fire insurance, as well as life, should read The National Underwriter (Fire, Automobile and Casualty section, \$4 a year), as well as the Life Insurance Edition. Both on one subscription, \$5.50 a year. SEND ORDER NOW TO A-194 INSURANCE EXCHANGE, CHICAGO.

"From the Cradle to Retirement" No. 3

THE NEED: Temporary protection, for such purposes as mortgage coverage, business insurance, etc.

THE CONTRACT: Term Insurance.

Written by Atlantic Life for five and ten year periods on selected male risks. Convertible to permanent insurance at original or attained age. Non-participating, assuring low guaranteed cost. Maximum coverage at minimum expense.

Atlantic Life Insurance Co.

RICHMOND, VIRGINIA

Angus O. Swink
President

Wm. H. Harrison
Vice Pres. & Supt. of Agencies

EDITORIAL COMMENT

Faith in Coburn, Head and O'Donnell

THERE is no reason to doubt the propriety of the motives which caused officials of the SOUTHWESTERN LIFE to arrange for the purchase of stock of the GENERAL AMERICAN LIFE from the EQUITY CORPORATION. Inasmuch as the GENERAL AMERICAN OWNS control of the SOUTHWESTERN, officials of the latter company were naturally alarmed, even though a voting trust exists, at the threat of EQUITY CORPORATION to scalp a profit and get out.

The business has the greatest confidence in and respect for ARTHUR COBURN, vice-president of the SOUTHWESTERN LIFE, who seems to have been the main spring in the transaction. If the complicated arrangement were sponsored by anyone of less repute than Mr. COBURN, one might question some of the features.

Mr. COBURN, we are sure, and President Walter W. HEAD of the GENERAL AMERICAN and President O'DONNELL of

of the SOUTHWESTERN, will welcome an examination of the deal from all points of view. Insurance Superintendent O'MALLEY of Missouri intends to scrutinize the transaction. Due to the high standing of Messrs. COBURN, HEAD and O'DONNELL, the insurance fraternity will be inclined to withhold judgment until the net effect of the complicated inter-ownership is more clearly weighed.

The action of the EQUITY CORPORATION in hastening to get out, as soon as a profit was in sight, may have been shrewd, commercially, but it indicates the management had no conception or no regard for its peculiar responsibility in providing an anchor for the old MISSOURI STATE LIFE, which had been blown from one exploiter to another until it was wrecked. However, inasmuch as EQUITY CORPORATION betrayed itself as one that was eager to make a quick profit, the sooner it was removed from the picture the better.

Mr. Rhodes' Fifty Years Service

THE 50th year anniversary of Vice-president E. E. RHODES of the MUTUAL BENEFIT LIFE brings a very modest and yet able gentleman to the forefront whose life insurance experience with his company stands a half century and who during that time has seen the remarkable evolution of the business. Mr. RHODES is one of the men who was trained in the actuarial and technical department and who expanded and used the knowledge he gained in that important work to broaden his vision in general administrative duties.

It would be difficult and, in fact impossible, to think of the MUTUAL BENEFIT LIFE these days without associating Mr. RHODES with it. He has done much to

outline and develop the policy that great company has followed. At times his ideas have run counter to executives of other institutions. He has always been tolerant and yet after following an idea through to its conclusion he stuck by his judgment. Mr. RHODES shuns the limelight. He has kept off the stage and yet in his quiet, unobtrusive way he has been a powerful factor in developing a thorough going appreciation of standard life insurance, rendering a service that is liberal and yet not far fetched. It is men of the RHODES type to whom we look in these changing days to keep the foundations and superstructure of life insurance strong. Their influence has been invaluable.

Getting Back of Good Men

LIFE insurance men in the field cannot work to good advantage, cannot put their hearts in what they are doing, cannot pursue their tasks with zest, enthusiasm and real ambition unless they are able to make a comfortable living. Where a man is troubled about getting sufficient income to meet his fundamental demands he is affected in his daily toil. There are salesmen who dissipate their earnings foolishly and who spend money for luxuries or things frivolous and who have not an eye single on budgeting their resources in the right way.

We are not considering, however, the latter sort of salesman. We have in

mind the earnest, conscientious, hard working agent who is endeavoring to get along, who has a family to support, who is interested in it, who is paying for his home and is endeavoring to maintain his household in a respectable manner. The man of upright character, who has a good reputation, knows his business reasonably well and who is a credit to his institution therefore deserves the utmost consideration on part of his company. After all companies spend money foolishly on a number of salesmen who are unstable and who do not prove to be satisfactory.

It seems to us that time, effort and money should be given to those people

who have proved their worth and who merit reward. A sales organization built up of substantial, resourceful, industrious men deserves the greatest possible consideration.

Unfortunately, it appears to us that too many companies are experimenting with those that give no promise of bearing much fruit. The same observations might be made of general agents. A company finds out after a few years that a general agent is capable of increasing his business, is thoroughly reliable, he is a man who inspires confidence, who bears a good name in his community and is successful. That general agent therefore is worth five or six others that may be yet on trial.

After all, the selling of life insurance is a merchandising proposition. We need not get too lofty an attitude to apply merchandising principles to its distribution. The selling of life insurance is a human function, and all human elements must be taken into consideration. Sometimes rules taken out of a book or deductions made from studying statistics may not apply to this agency or this man. We are inclined to think sometimes that agency generals rely too much on ratios, researches, con-

clusions reached by pooling statistics or experience and attempt to apply these calculations and ratios alike to all agencies and all salesmen.

The selling organization of a life insurance company is its most important division. The agents are the people who bring in the sinews of war. The greatest asset that a company can have is a body of first-class general agents and first-class salesmen. Given an organization of that type, a company need not have much fear as to its production and the quality of its business. When such an organization is formed, academic and theoretical conclusions and ratios should be studied for their practical application. They should not be regarded as infallible and of a character to be used in every case.

Dr. CARREL, author of "Man, the Unknown," one of the best sellers last year, and a book that provokes and stimulates thought, appreciates the danger that may be given to abstractions regardless of human factors. In his book he takes the position that there are too many analysts and not enough synthesisists; too many specialists and not enough all-round experts who know their subject thoroughly.

PERSONAL SIDE OF BUSINESS

H. W. Manning of Winnipeg, Man., vice-president and head of the agency department of the Great-West Life of that city, arrived in New York last week with Mrs. Manning, following a cruise from San Francisco through the Panama Canal. In New York City they met Miss Brock, daughter of Secretary Eustace Brock of the head office, who sailed later in the week for London where she will spend some months.

Harold J. Cummings, vice-president and superintendent of agencies of the Minnesota Mutual Life, following a speaking engagement before the sales congress of life underwriters at Columbia, S. C., is making a tour of the western agencies.

Dr. C. E. Schilling, vice-president and medical director of Ohio State Life, accompanied by Mrs. Schilling, is spending a short vacation in Florida.

John W. deForest, general agent Aetna Life, Buffalo, has been appointed director for the Red Cross flood relief campaign in western New York, laying aside all personal duties to give his full time to raising funds for sufferers in devastated areas.

Charles E. Thompson, secretary of the Peoria, Ill., Life Underwriters Association, displayed his urbane platform technique before several audiences in Florida, during a two months vacation trip. He appeared before civic organizations in several places, telling about the "Save a Life" campaign of the National Association of Life Underwriters, as it is being carried out in Peoria. Among the groups that he addressed was the

Kiwanis club at Sarasota, Fla. He also made a few public appearances with his one string "whatzit," the marvelous musical machine with which he has entertained several conventions of the National Association of Life Underwriters. When he returns to Peoria he will be ensconced in new offices at 800 Commercial Merchants Bank building.

S. J. Winegar, who opened the first Chicago office for the Bankers Life of Nebraska, but who has been inactive in recent years, died recently at Oak Park.

Paul R. Green's fifth anniversary as Seattle general agent for Aetna Life was celebrated at a staff luncheon.

An unusual sales idea was employed recently by the Business Men's Assurance. To capitalize on St. Patrick's Day and traditional "Irish luck," J. C. Higdon, vice-president in charge of sales, sent each agent a good green tie to wear on March 17 and thereafter until an application was secured. They reported that either the green tie or the extra incentive inspired by the gift and letter resulted in business. The best test was that W. T. Grant, president, sold a policy as a result of wearing the green tie.

C. W. Maydwell of Chicago, who for a number of years has been Chicago and western manager of the Century Indemnity of Hartford, has resigned to do field work in life insurance and has become connected with the Union Central Life agency in that city. This is an abrupt change of front but Mr. Maydwell believes that he can preach the gospel of life insurance, using his own experiences and background to show its value. He has been all along in the cas-



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ualty field. He was a practicing attorney in Baltimore and became connected with the head office of the Maryland Casualty as office attorney and then had charge of the claim department. Later he became manager of the Cleveland office of the Maryland Casualty and eventually located in Chicago to take charge of the Century Indemnity.

E. A. Roberts, vice-president and general counsel of the Minnesota Mutual Life, will lead the annual community chest campaign in St. Paul this year. He has served as a captain in several of the recent campaigns.

Fred A. Howland, president National Life of Vermont, and **E. S. Brigham**, vice-president and chairman of the finance committee, spent several days with the company's southern California agency in Los Angeles. They also visited San Francisco and Oakland and addressed the agencies in those cities.

The Salt Lake City Old Timers' Insurance Men's Club has been organized by five veterans representing a total of 158 years' service. Charter members are: John D. Spencer, New York Life, president; J. V. Smith, New York Life, secretary; John James, Occidental Life, former Utah insurance commissioner; Frank Mozley, Beneficial Life, and R. K. Hardy, California-Western States Life. Mr. Spencer has been a salesman for 39 years, Mr. Smith, 31, Mr. James, 31, Mr. Mozley, 31½ and Mr. Hardy, 25½.

Insurance Superintendent **J. A. Marshall** of the District of Columbia in a few days will leave his office in order to assume his new duties as director of the District of Columbia unemployment compensation board. **J. Balch Moor** succeeds him and is being inducted into office.

Douglas J. Murphey, director of publicity and advertising General American Life, is a patient at St. Mary's Hospital, St. Louis, where he underwent an appendectomy. He is now convalescent. However, it is understood the surgeons also contemplate performing a nasal operation.

Martin Scott, 50, actuary of the Reserve Loan Life, died after a short illness at his home in Indianapolis. He was a native of Friendship, N. Y., and went to Indianapolis ten years ago. The widow and one son survive.

A. C. Utter, Detroit general agent New England Mutual Life, has launched a new type of advertising campaign in a Detroit paper, appearing every day with the sayings of "The Old Philosopher" under a standing illustration in caricature that bears a striking resemblance to Mr. Utter himself in battered felt hat, corn-cob pipe in mouth. Each day an aphorism regarding life insurance is reproduced; for example: "Compound interest is the largest source of ultimate profit—invest in life insurance" and "How has your life insurance investment stood up in recent years as compared with other ventures?"

T. I. Parkinson, president of the Equitable Life of New York, was signally honored by the University of Pennsylvania Club of New York City. The occasion was the annual university night dinner at which an alumnus is cited for achievement and his name inscribed on an honor cup.

Mr. Parkinson responded with an address.

Oliver D. Weed, manager of the actuarial department of the Provident Mutual Life, has completed 50 years of continuous service with the company. He is the fourth member of the company's Fifty-Year Club. Other members are: Assistant Secretary Robert L. Beaty, Assistant Treasurer Lucius M. Allen, and Manager of the Mortgage Loan Department Frank H. Weed, who is the

brother of the most recently admitted member.

At a luncheon in his honor he was presented with a gold watch by his past and present associates in the actuarial department and with a congratulatory message from the minutes of the board. When he returned to his desk he found it banked high with flowers and other expressions of affection and esteem.

In presenting the watch to Mr. Weed, his associates accompanied it with a specially bound and hand-decorated testimonial book which included the signatures of the entire group as well as a tribute.

Mr. Weed has had full charge of the electrically operated tabulating equipment. His knowledge of the intricate mechanism of these machines and his ability to adapt them to various accounting and actuarial problems have proved most valuable.

President **C. F. Williams** of the Western & Southern Life is expected back in Cincinnati the first of next week. He has been in Florida, recovering from the effects of a severe attack of pneumonia. He is now in excellent shape and eager to return to work. Mr. Williams' illness occurred just prior to the annual Western & Southern convention. He made two addresses to the convention via a telephone hookup from his hospital bed.

Walter A. Robinson, actuary Ohio department of insurance, has returned to his duties after a short illness. His sickness kept him from the sales congress of the Life Underwriters Association of Columbus last week, the first he has missed in a long time.

Arthur J. Frith, life manager at Los Angeles for the Travelers, was presented with floral messages and a batch of new applications in recognition of his 45th anniversary with the company. He opened the first branch of the Travelers in Cleveland in 1902. He continued in Cleveland until 1917 when he was made assistant superintendent of agencies at the home office in charge of the New York district. He went to Los Angeles in 1927.

Thomas M. Norris, former president Cleveland Life Underwriters Association and long connected with the Union Central Life in that city, died at the age of 71. Ross M. Norris, a son, is general agent Security Mutual Life in Cleveland. Thomas Norris was with the Union Central Life agency in Cleveland for 35 years and was probably the oldest active member of the Cleveland association from point of service. He was president in 1903-04 and served as secretary for many years. The Cleveland agency drafted a resolution of sympathy for the Norris family.

Stays Receivership Action

ST. LOUIS, March 26.—The Missouri supreme court has directed Judge Hogan of St. Louis circuit court to take no further steps in connection with Superintendent O'Malley's receivership suit against the Missouri National Life of St. Louis until the high court has had an opportunity to act upon an application for a writ of prohibition filed by the company.

Mr. O'Malley last August sought an order to permit him to wind up the company's affairs.

Life Insurance in Kentucky

FRANKFORT, KY., March 26.—Residents of Kentucky paid \$34,753,551 for life insurance during 1935, Commissioner Talbott announced today. Total insurance on Kentucky lives on Dec. 31, 1935, was \$1,111,880,231. Death claims paid in 1935 amounted to \$14,222,521.

"An increase of \$898,566 in premiums paid during the year is accepted as a fair indication of the improved financial condition of the people of Kentucky," Mr. Talbott said.

The Columbus Mutual

OFFERS

First—LOW COST INSURANCE TO SELL.

Second—LIBERAL COMMISSIONS FOR SELLING IT.
(An Unusual Combination)

Third—IDEAL WORKING CONDITIONS.

Vested Renewals—

Unrestricted Territory—

Automatic Promotion—

Equality of Opportunity—

The Right to Build Your Own Agency—

No one to interfere, dictate or coerce—

Every influence helpful, inspirational—

Reward determined not by chance, by guess,
or by favoritism, but by results—

The larger the production, the higher the rate
of compensation—

You do not have to fight for a better contract—

You rise to your rightful level without let or hindrance.

THE COLUMBUS MUTUAL LIFE

INSURANCE COMPANY

COLUMBUS, OHIO

QUANTITY with QUALITY

Through the use of such plans as its Quotamakers Club, Contest, Policyholder's Month, and the Annual Convention Trip (this year to the Panama Canal) Protective Life agents are given many incentives to write a large volume of business.

But, along with quantity, they are constantly reminded and urged to write **quality business**. They are given the benefit of the research that has revealed definite and successful ways of securing business that persists.

Example of increased income from renewals, regular reports of renewal ratios of agents and agencies, and a special persistency bonus are teaching them that the **conservation of business really begins with the agent.**

Quantity with quality will benefit company, agent and policyholder.

Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA.
S. F. Clabaugh, President

LIFE AGENCY CHANGES

Strickland Heads Cincinnati Agency of Life of Virginia

The appointment of D. L. Strickland as manager for the Life of Virginia in Cincinnati and 14 surrounding counties in Ohio and northern Kentucky, is announced. His headquarters are located at 1709-10 Carew Tower, where he has opened new offices.

Mr. Strickland was educated at Ohio State University and the University of Cincinnati. Graduating from the latter institution, he practiced law until 1930. He entered the life insurance business in that year.

Provident L. & A. Appointments

Appointment of J. Mack Moss of Norfolk, Va., as general agent for the Provident Life & Accident is announced. He entered the business in 1919.

Intensive development of the life insurance department of Coleman & Company, San Antonio, general agents for the Provident Life & Accident, has been undertaken with the appointment of T. Frank Greene as manager of that department. He formerly represented the Great Southern in Wichita and then in San Antonio.

Names Two Unit Managers

Dan W. Flickinger, general agent for the John Hancock in Indiana, announces the appointment of two unit managers in Indianapolis—E. R. Grisell and W. B. Lichtenstein.

Mr. Grisell began with the John Hancock in 1911. Mr. Lichtenstein entered the insurance field with the John Hancock in 1928.

They will take joint charge of new production in Indianapolis, to allow Sales Manager Ray O. Woods more time for work among agents in other Indiana cities.

Manufacturers Life Appointments

The Manufacturers Life of Canada has made the following field appointments:

W. J. Gray has been transferred from Calgary, Alta., to London, Ont., where he will be branch manager, succeeding W. H. Hutchinson. W. J. H. Chittick has been appointed branch manager at Calgary, Alta., following two years in a similar capacity at Saskatoon, Sask.; R. C. Forrest has been promoted to succeed him. A. C. Baldwin has taken over management of the Kingston, Ont., branch, succeeding M. G. Johnston, who has retired. Mr. Baldwin was branch manager for Newfoundland, being succeeded by R. J. MacKinnon.

Named by Omaha Companies

Robert Burns has been appointed manager of southwestern Iowa district Mutual Benefit and United Benefit of Omaha. His headquarters are in Shenandoah. He succeeds B. A. Becker, now with Redfield-McGurk, Chicago. W. G. Clark has also been named as manager for maritime provinces, headquarters in Halifax, N. S.

Edward S. Tobin, Omaha, has been appointed district manager of the Bloomington, Ill., office. The Bloomington district has been consolidated with the Springfield division.

Pittman General Agent

W. I. Pittman, Birmingham manager John Hancock, has been promoted to general agent for Alabama, effective April 1 to succeed Jay Smith, resigned. Headquarters will continue in Birmingham.

Newcomb Made Supervisor

Sidney Newcomb has been appointed supervisor of the Los Angeles agency of

the Connecticut Mutual Life. He has been with the agency since 1927. R. L. Ingraham, associate general agent, has charge of the agency during the absence of S. S. Northington, general agent, who was recently granted a year's leave of absence due to ill health.

Symonds with State Mutual

Walter E. Symonds, who was with the Travelers at Tulsa, Okla., six years, and the past year manager for the Great Southern Life at Dallas, has been appointed San Antonio general agent for the State Mutual Life. He graduated from the University of Oklahoma and Harvard University. He conducted classes in C. L. U. work in Tulsa and Dallas.

C. A. Pancratz

C. A. Pancratz has been appointed general agent by the Mutual Trust Life in charge of North Dakota territory, with headquarters at Fargo. He succeeds a general agent who removed to California several months ago, although the territory is considerably larger than originally. Mr. Pancratz has been state

supervisor in North Dakota for the Mutual Life of New York for several years and has had 20 years' life insurance experience as agent and organizer.

Rolfe Made District Manager

The Northwestern National Life has appointed L. E. Rolfe district manager at Long Beach, Cal. He represented the Northwestern National in the east for ten years, but has been agency supervisor of the Guardian Life in Los Angeles for the past five years.

Life Agency Notes

The Security Life & Trust has opened an office at Asheville, N. C., with D. S. Carpenter of Winston-Salem, as manager.

Joseph B. Ryan has been named district agent at Newton, Ia., for the Bankers Life of Des Moines. He succeeds D. H. Blair who has been transferred to Los Angeles.

The Columbus, O., agency of the Lincoln National Life has just opened offices in Coshocton, Newark, Lancaster, Circleville, Athens, and Springfield, General Agent H. E. Campbell announces.

W. E. Pendleton, formerly secretary of the Georgia State Association of Life Underwriters, when he was located at Macon, Ga., has joined the Florida agency of the Equitable Life of New York, which he has represented for 17 years.

AS SEEN FROM CHICAGO

HOUSE AGENTS GREET CHIEF

W. M. Houze, Chicago general agent John Hancock, has returned from a long swing through the southwest and Pacific Coast as president of the General Agents & Managers Association of his company, presiding at several regional meetings. He took a vacation for a few days in California, then went by boat through the canal, landing at Miami and proceeding overland from there. His agents conducted a special drive in his absence which resulted in substantial business increase. Mr. Houze will be host at breakfast for his agents Monday, when the total business produced in his absence will be presented.

EMIL HELD IN CHICAGO

Emil Held, an oldtime insurance journalist, has opened an office in Chicago for the "Eastern Underwriter." He is located at 1511 Capitol building, 159 North State street, with telephone Dearborn 2572. Mr. Held was recently in San Francisco, connected with the Macdonald-Bowyer agency. Some years ago he was on the staff of the "Insurance Times" at New York under J. Frazer Kempson.

JUDGES AT PALMER DINNER

Seven judges including Illinois Supreme Court Justice Wilson were present and spoke at the dinner given by the Chicago Life Insurance Lawyers Club for Insurance Director Palmer of Illinois and other members of the staff. In addition to Justice Wilson, there were present Appellate Judges Gridley, Hall, O'Connor, Denis Sullivan and Matchett and Chief Justice Sonstebly of the Chicago municipal court. In addition to Mr. Palmer there were present from the department, Actuary R. R. Haffner and Associate Actuary W. C. Green.

Attorney William McKinley, who is perpetual chairman of the committee in charge of the annual dinner for the insurance director, presided with a light touch. L. A. Stebbins, perpetual president, was in Florida.

Others Are Heard From

Others called upon, besides the judges and the people from the department, were Herbert Lautman, president Chicago Bar Association, Attorney James Condon, Walter Eckert, perpetual secretary of the club, and E. M. Craig,

president of the Builders Life of Chicago.

Mr. Palmer, in his address, gave a resume of the 1935 operations of insurance companies in Illinois, observing that the insurance department does not receive sufficient appropriation to meet its important responsibilities as they should be met. He declared that although the insurance code, as a whole, was defeated, about one-third of it has been passed in the form of separate bills. He expressed the belief that no important insurance company is in danger today. There are some isolated weak spots. A few companies are on the border line, but cannot be reached by the insurance department, because they are complying with the minimum requirements of the law.

Mr. Palmer said the case of the American Bankers of Jacksonville, Ill., which is now before the Illinois supreme court, presents one of the most important life insurance questions that has been projected in the last 25 years. This company, he said, is admittedly insolvent in the amount of about \$1,500,000. It induced policyholders to accept a voluntary lien against the reserves under their policies. About \$1,000,000 of such acceptances have been signed. If these liens can be legally considered as admitted assets and the company can obtain another \$500,000 in liens, it would be considered solvent. The question before the supreme court is whether such a program is legal.

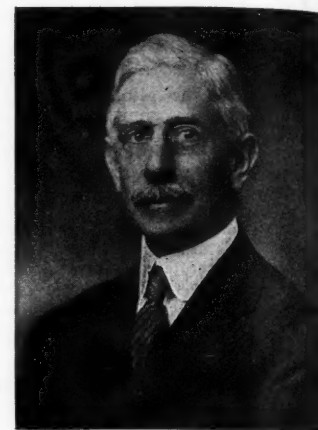
Mr. Palmer spoke Monday noon before the Evanston, Ill., chamber of commerce, telling about the work of the department and its importance to the people. He said that under the present administration the department had been put on an independent basis with its own director, there had been a real house cleaning, the work of the department has been thoroughly systematized and examinations of companies are much more efficient.

He spoke Tuesday night before the Chicago Comptrollers Association.

INCOME TAX IS REDUCED

Owing to the fact that excess returns from investments have greatly decreased inasmuch as interest rates are now lower and companies have to keep a larger amount of cash on hand, many of the smaller companies find that their income tax to the government is pro-

Provident Mutual Honors Newark 50 Year Veteran



WILLIAM H. PIERSON

William H. Pierson, of the Newark, N. J., agency of the Provident Mutual Life began his 50th year as an agent of the company on March 14. No other active agent now with the Provident Mutual has been in continuous service for so long a period. President M. A. Linton congratulated Mr. Pierson on his long record and extended his greetings and best wishes.

portionately reduced and some do not have to pay any such tax, because it is based on excess investment earnings. After the reserves have been put up, there is little left to be taxed. Companies are finding it difficult to secure substantial investments that yield much above the legal rate of interest.

CURRENT STOCK QUOTATIONS

H. W. McKinney of G. L. Ohrstrom & Co., Board of Trade building, Chicago, gives the following quotations on the stock of life companies:

	Par	Div.	Bid	Asked
Aetna Life	100	.60	36 1/2	37 1/2
Alliance Life	100	1	1	2
Bank. Nat. Life	100	1.00	19	21
Central Life, Ill.	100	...	2	...
Cent. States Life	100	5
Colonial Life	100	10.00	220	250
Columbian Nat.	100	4.00	90	100
Conn. Gen. Life	100	.80	49	51
Cont. Am. Life	100	1.20	30	35
Cont. Assurance	100	2.00	42	44
Farm. & Traders	100	10.00	185	215
Fed. Life, Chgo.	100	...	5	10
Gen. Am. Life	100	...	45	...
Girard Life	100	10	10 1/2	12
Great Nor. Life	100	...	7	9
Great South. Life	100	2.50	31 1/2	33 1/2
Life of Va.	200	3.00	90	105
Lincoln Nat.	100	1.20	33	34
Missouri State	100	...	1 1/2	3 1/2
New World	100	.40	7 1/2	8 1/2
Northw. Natl.	50	...	14	16
North Amer.	200	...	3 1/2	4 1/2
Ohio National	100	1.00	22	25
Ohio State Life	100	10.00	225	...
Old Line Life	100	...	15	16
Pacific Mutual	100	1	16 1/2	17 1/2
Philadelphia Life	100	...	3 1/2	4 1/2
Provident Life	100	.80	12	...
St. Louis M. Life	100	...	7	...
Sun Life	100	...	550	570
Travelers	100	16.00	630	640
Union Central	20	1.20	35	45
Wisconsin Natl.	100	.50	14 1/2	16

CONTEST FOR SPRING HOLIDAY

Agents of the R. S. Edwards general agency of the Aetna Life in Chicago are taking part in a production contest for qualification to attend the "spring holiday" which will be held May 7-10, inclusive, at Lake James in Pokagon state park, Steuben county, Ind. General Agent Edwards will be host to 25 leading agents. The qualification requirements are four medical applications for \$30,000 produced in March, or eight applications for \$30,000 in March and April.

A. G. Barritt, manager of army division southwest Texas branch Reliance Life, at San Antonio, Tex., is confined to the hospital as the result of a serious operation.

NEWS OF THE COMPANIES

"Time" Features the Victory

Chicago Company Owned and Managed by Negroes Receives Publicity in Well Known Magazine

The March 23 issue of "Time" featured the Victory Mutual Life of Chicago, well known Negro owned and managed company, in its department "Business and Finance." The Victory Mutual made news by the fact that it had elected Joe Louis, well known prize fighter, on its board. The Victory Mutual is the only Illinois legal reserve life company licensed in New York. In the article "Time" said, "Engineered by his able, honest manager the election of the world's best black boxer to the Victory Mutual Life board was not primarily dictated by a desire for the benefit of his business judgment any more than was Herbert Hoover's election to the board of the New York Life. Among certain groups of U. S. insurance prospects, both names carry considerable weight."

Took Over the Old Business

"Time" called attention to the unfortunate situation the Victory Mutual Life under its old name, the Victory Life, encountered when its founder and president, Anthony Overton, was smashed in the business collapse and his bank, the Douglas National Bank, the only one ever chartered by Negroes, fell under the weight of the depression. The Victory Life went into the hands of a receiver and the Victory Mutual Life was organized and took over the business of the old Victory Life. Clilam Bethany Powell, famed roentgenologist of New York City, became a director of the Victory Mutual and it was largely through the efforts of him and his friends that the company has been meeting with such success in the Harlem district of New York.

Mutual Company Was Organized

"Time" states that after Director Powell worked out a reorganization plan he concluded that the wisest course to pursue was to have a mutual company. The Victory Mutual's general overhead was reduced 44 percent, the agency overhead from 36 to 9 percent. Its RFC loans of \$78,000 were paid off, its premium income increased 57 percent and its surplus by \$60,000. "Time" declares that Federal District Judge Evans furnished Director Powell and the associates no small amount of judicial cooperation.

The Victory Mutual has \$8,000,000 insurance in force and \$700,000 assets.

Now Gulf States Life

The Gulf States Security Life of Dallas at its annual meeting dropped the word "Security" from its name and will henceforth operate as the Gulf States Life. The capital stock was also placed on a non-par basis. Five directors were added to the board as follows: Galloway Calhoun of Tyler, George Cowden of Pearsall, Raymond Buck of Fort Worth, J. M. Caviness of Paris and Dr. W. H. Bennett of Humble, Texas.

American National Changes

Several changes in the executive personnel of the American National of Galveston have been made following the death of Shearn Moody, vice-president. J. B. Mills has been advanced from assistant vice-president to vice-president. B. Werkenthin, well known actuary of Texas, has been elected vice-president and added to the directors. A. A. Horne has also been elected a member of the board. W. L. Moody, Jr., continues as president, W. J. Shaw as vice-president and secretary, F. B. Markle and W. L.

Moody, III, as vice-presidents and E. L. Roberts as vice-president in charge of ordinary agencies.

Mr. Moody has also been elected president Security National Fire to succeed his son, Shearn Moody. Mr. Mills was made vice-president and reelected treasurer. New directors are: Mr. Mills, Mr. Horne and F. L. Lubben.

DeBuchanan Reconsiders

J. D. DeBuchanan, who was at one time the controlling factor in the old Mississippi Valley Life and several other companies in the middle west, has now withdrawn as president of the projected Pan-American Casualty of Miami, Fla. This concern had applied to the Florida securities corporation for permission to sell stock. This permit has not yet been released.

Monarch Wins Injunction

CHARLESTON, W. VA., March 26.—Circuit Judge Hudson granted an injunction to the Monarch Life of Springfield, Mass., against Commissioner Sims, which requires that he renew the company's license April 1. He had notified the Monarch its license would not be renewed, citing failure to meet a demand of G. R. Koon, Clarksburg, a policyholder, for additional indemnity under an accident and health contract.

Counsel for the Monarch pointed out that Koon agreed to a settlement and executed a release, but later attempted to ignore this and sued in federal court at Clarksburg for additional indemnity. In trial last April a verdict was rendered for the Monarch.

Credit Life Increases Capital

The Credit Life of Springfield, O., has increased its capital stock from \$100,000 to \$200,000. R. W. Hollenbeck is president and Frank J. Braun, secretary.

Bowen to Pay Claims

Superintendent Bowen of Ohio has been authorized by court to borrow \$50,000 from the Cleveland Trust Company to pay claims against the Union National Life, except those in Georgia and Tennessee, where policies in the Lincoln National Life were taken out, and those who assigned their claims to the liquidator. A dividend of 10 percent is to be paid or \$122,291.

Company May Move to Dallas

The Planet Life of Fort Worth, Tex., may be moved to Dallas in the near future. It is now negotiating for a site in the downtown district there. If the company moves its name probably will be changed and a branch maintained in Fort Worth.

Western Reserve in New Mexico

The Western Reserve Life of San Angelo, Tex., now is licensed in New Mexico. This is the first outside state it has entered.

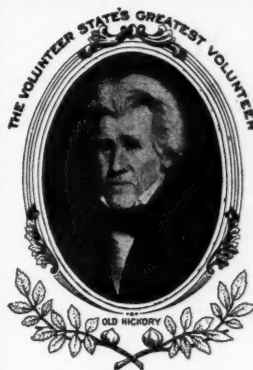
Life Company Notes

W. N. Graham, Jr., has been named assistant secretary of the Southwestern Life of Dallas and C. M. Biles has been made policy registrar.

New directors of the Guaranty Old Line Life of Dallas are Mrs. J. G. Wooten, Paris, Tex.; Dr. J. F. McNew, Farmersville, Tex.; and Henry Camp Harris, Dallas, vice-president and agency manager.

The Dakota Life Assurance Society has been incorporated at Brookings, S. D., to write life and accident insurance on an assessment plan. The incorporators are Henrik Tillich, H. E. Moon, C. O. Trygstad, H. A. Miller, of Brookings, S. D., and A. G. Berger of Clear Lake.

J. Y. Williamson, San Antonio agent, Southwestern Life, has been a member of the "App-A-Week Club" for nine years and three months.



Thirty-Third Annual Statement of

THE VOLUNTEER STATE LIFE INSURANCE COMPANY

Richard H. Kimball, President

Chattanooga, Tennessee

ASSETS		LIABILITIES	
Cash	\$ 526,984.98	Policy Reserves	\$19,673,442.65
Bonds	4,468,929.96	Reserve for Supplementary Contracts	468,825.00
Stocks	53,772.00	Policy Claims in Process of Settlement	143,851.81
Mortgages	4,624,368.78	Premiums and Interest Paid in Advance	209,892.99
Policy Loans	6,525,160.57	Reserve for Taxes	97,719.45
Premium Notes and Liens	1,572,427.02	Other Reserves	105,749.59
Real Estate (Including Home Office)	3,745,981.43	Miscellaneous Liabilities	3,390.39
Net Deferred and Unreported Premiums	348,857.16	Dividends Apportioned and Left with Company	78,345.76
Interest and Rents Due and Accrued	291,356.73	Unassigned Funds	\$402,542.60
Other Assets	25,921.61	Surplus	500,000.00
		Capital	500,000.00
			1,402,542.60
Total Admitted Assets	\$22,183,760.24	Total Liabilities	\$22,183,760.24

PAID TO POLICY OWNERS AND BENEFICIARIES
SINCE 1903 over \$40,000,000.00

**Are You Interested
in Territory in—**



☐ ILLINOIS ☐ KANSAS ☐ SOUTHERN IOWA
☐ INDIANA ☐ MICHIGAN ☐ MINNESOTA

Name

Check the territory, fill in the coupon, and return to Address

City and State

ROCKFORD LIFE INSURANCE CO.
Rockford, Illinois

District General Agents Wanted!

Nationally known Old Line Company has attractive agency opportunities for men who can qualify—Progressive—financially strong—the Company offers its Field men proven Sales Promotion plans and direct prospect leads.

The Company now has many prospect leads in the following Cities and will appoint a District General Agent in each of these Cities:

Lexington, Ky. Fort Wayne, Ind. Evansville, Ind.
Terre Haute, Ind. South Bend, Ind. Muncie, Ind.

Write in confidence to D-11, Care The National Underwriter

AMONG COMPANY MEN

J. E. Acuff Gets Promotion

Vice-president and Division Manager of the Life & Casualty Made Executive Vice-president

J. E. Acuff has been made executive vice-president of the Life & Casualty of Nashville. For some time he has been vice-president and division manager of the Mississippi Valley territory. Mr. Acuff has done excellent work since en-



J. E. ACUFF

tering the service of the company, Feb. 13, 1914. He has served in a number of capacities. He started as a clerk in the auditing department and later he became auditor. As time went on he became second vice-president in charge of Tennessee, Arkansas and Louisiana. This field was later increased to what is now known as the Mississippi Valley territory. In addition to his new duties he will continue as division manager.

Mount and Loucks Advanced to Secretaries by Sun Life

The Sun Life of Canada has appointed two secretaries of agencies: F. S. Mount, who was in the eastern United States department from 1929 to 1934, and on the staff of the western department since then, becomes secretary western department. M. D. Loucks, who joined the staff in 1927 and served for some time in Canadian agency department, becomes secretary Oriental department.

Shine, Leverett Advanced

L. C. Shine has been advanced from assistant secretary to secretary-treasurer of the Southern Old Line Life of Dallas. O. R. Leverett has been made assistant secretary and assistant treasurer. Mr. Shine was with the old Southern Union Life of Texas and the Great Southern Life, before he joined the Southern Old Line in 1930. Mr. Leverett has been in the accounting department three years and previously was with the old National Security Life of Wichita Falls and the United Fidelity Life of Dallas.

Thornton on Agency Tour

Dr. W. E. Thornton, second vice-president and medical director of the Lincoln National Life, was guest of honor at a luncheon meeting of the southern California agency in Los Angeles, W. T. Shepard, general agent. Dr. Thornton discussed various phases of home office life underwriting and also directed attention to the very favorable mortality experience of the company last year. On

his way east he is holding meetings with the agencies of the company in the principal cities of Texas and Oklahoma.

Seaboard Life Promotions

Davis Faulkner was elected vice-president and agency director of the Seaboard Life of Houston, Tex., at the annual meeting. He was also made a member of the board. Dr. Ghent Graves, associate medical director was also made a director.

Wilkes, North on Coast

E. H. Wilkes, second vice-president Metropolitan Life, formerly in charge of the Pacific Coast head office in San

Francisco, has just concluded a visit to his old territory. He addressed several district manager meetings in company with Vice-President H. E. North.

Provident L. & A. Promotions

W. K. Kropp, who has been with the Provident Life & Accident for 15 years, the last 13 years in the claim department, has been appointed claim manager and now has supervision over the claim divisions of all departments.

W. D. Hill, formerly cashier, has been made comptroller of the Provident. He has served in the accounting department at the home office since February, 1925.

Griffith on Coast Trip

J. E. Griffith, superintendent group department Aetna Life, has been on the Pacific Coast discussing the development of group business with the San Francisco and Los Angeles agencies.

PACIFIC COAST AND MOUNTAIN

Goes With the Mutual Union

Robert R. Anderson Has Become Executive Vice-president and Manager of Agencies at Seattle

Robert R. Anderson of Seattle, manager of the Yeomen Mutual Life of Des Moines, has resigned to become executive vice-president and manager of agencies of the Mutual Union Life of that city. The Mutual Union Life has as directors some of the outstanding men of Washington. They are very enthusiastic over the prospects and are backing it ardently. Mr. Anderson states that this is not a promotional venture but an institution that will be carried along in a conservative and substantial way. The certificate of authority was issued to the company April 1 of last year. George M. Jacobs is president and A. F. Case, secretary. The home office is at 1025 Henry building, Seattle.

Bullock's Los Angeles Talk Optimistic About Business

Chandler Bullock, president State Mutual Life, was guest of honor at a luncheon given in Los Angeles by Roy Ray Roberts, southern California general agent. R. L. McCourt, president Los Angeles chamber of commerce, extended greetings; A. N. Kemp, president Pacific Mutual Life, spoke from the viewpoint of life insurance and banking interests, and Dr. F. C. Touton, vice-president University of Southern California, covered the educational angle of life insurance.

Mr. Bullock said: "I am satisfied from all evidence that the laws of economic welfare are bringing us on the road up, with increased business and industrial levels. This depression has already lasted longer than any other. We have always come out of every other depression through the operation of national economic laws of supply and demand, and we are coming out of this for the same reason. The progress upward can be hindered only by unfortunate political developments. It would seem that the capital goods industry is beginning to pick up materially. The consumers' goods industry, of course, has been pretty good for more than a year already. The progress upward should be slow to be sure and should not involve a boom. If the progress up is slow and sure, it will be on a more lasting basis."

Form Washington Girls Club

SEATTLE, WASH., March 26.—One hundred charter members attended the election meeting here of the newly-formed Insurance Girls Club of Washington. Mrs. Elizabeth Miller, manager casualty department United Pacific, was named president; Gertrude Phillips, La-

Bow, Haynes & Snapp, vice-president; Violet Stream of Owen Failing Co., secretary, and Viola Barlow of New World Life, treasurer.

Trustees included Gladys Main, Royal-Liverpool group, Ruth Richards, Northwest Mutual Fire and Frances Engdahl, Seeley & Co. Mrs. Alice Clayton, Massachusetts Mutual Life, addressed the group on "Life Insurance as a Profession for Women."

No Colorado Insurance Legislation

DENVER, March 25.—Even though a lengthy special session of the Colorado legislature is being called this week, it is not likely that any measures affecting insurance will be taken up. The special session is limited to social security and old age pensions.

SALES MEETS

Columbian National Meetings

A. A. McFall, vice president of the Columbian National Life, has announced the dates of the 1936 regional conferences of the Star Producers' Club. This year the leading producers will hold their conference in three divisions, east, middle west and far west. The eastern meeting will be held at the Hotel Traymore, Atlantic City, N. J., on Aug. 13-15.

Following this the far westerners will convene at the Hotel Del Monte, Del Monte, Cal., Aug. 31-Sept. 2.

The middle western group will meet at the Edgewater Beach Hotel in Chicago on Sept. 10-12.

Georgia-Florida Rally

About 40 representatives of the Reliance Life in Florida and Georgia attended the regional convention in Jacksonville. The head office was represented by E. C. Sparver, director of agencies, and B. L. Sichelstiel, assistant secretary. A feature was the presentation of the H. G. Scott trophy, which was captured by the Florida-Georgia department for outstanding agency performance, business produced and management during 1935.

R. P. Fraser, assistant manager at Atlanta, was chairman of the morning meeting and H. R. Zimmerman of Daytona Beach was toastmaster at the luncheon.

Conclude Conferences

The fourth and last of the series of regional conference was conducted by the Farmers & Bankers Life of Wichita at Fort Smith, Ark., for Missouri and Arkansas general agents. The previous meetings had been at Emporia, Kan., Oklahoma City and Lincoln, Nebr. Those attending from the home office were Secretary F. B. Jacobshagen and

Field Supervisors H. W. Milner, E. C. Groover and H. W. Sloan.

C. C. Alexander, general agent of Hutchinson, Kan., also made the circuit. He contracted with the company the day it opened for business, May 1, 1911. Agency building problems were discussed and the meetings were in the nature of informal round table conferences.

To Conduct B. M. A. Meetings

W. T. Grant, president; J. C. Higdon, vice-president, and M. C. McKay, assistant secretary in charge of conservation, Business Men's Assurance, will conduct three regional meetings beginning at Little Rock, Ark., March 28. Texas agents will meet at Dallas, March 30-31, and Kansas and Oklahoma agents at Oklahoma City, where the branch office recently was reopened, April 3-4.

Paying for the Meeting

DENVER, March 26.—The annual meeting of the Denver agency of the Sun Life was held here. To Guy Gay, manager, were presented 50 applications, totaling \$169,000, obtained during the preceding week. Martin Sather, manager at Salt Lake office, and L. I. Gulich of Casper, manager for Wyoming, attended.

Noble Conducting Meetings

C. W. Noble, agency director Mutual Trust Life, is conducting a series of educational meetings among eastern agencies. His work has been considerably handicapped by the floods. He was scheduled to conduct meetings this week at Springfield, Mass., and Hartford.

Hall Agency Meets

About 10 eastern Iowa and western Illinois agents of the Equitable Life of Iowa held an all-day meeting in Davenport, Ia., with H. C. Hall, general agent in Davenport, in charge.

Widespread Interest Shown in Townsend Plan Dangers

Sudden widespread interest has been shown throughout the country in the danger to the economic system from the Townsend plan of revolving old age pensions, and particularly its threat to the institution of life insurance. E. P. Andrews, president, Montgomery, Ala., Association of Life Underwriters, states that enforcement of the Townsend plan would result in a general paralysis of production, trade and commerce and would cause collapse of prices of all fixed, income bearing securities, which would work the greatest hardship on the provident and the thrifty.

A similar view was expressed by J. M. Hamill, president San Francisco Life Underwriters Association, who declared that the Townsend plan would jeopardize the value of all life insurance policies, as well as that of other forms of securities and property. A warning of the dangers of the plan to business in general and also to life insurance was likewise sounded by Walter Rhodes, president Association of Life Underwriters at Madison, Wis., who based his statement on the study recently made by the National Industrial Conference Board of New York.

Ten Week Training Course

The Jefferson Standard Life announces a new correspondence training course for agents. It consists of 10 lessons and the company is recommending that one lesson be finished each week.

A. R. Perkins, agency manager, states that this training course ties in with the series of merchandising ideas which the company began issuing in 1935. It emphasizes the idea of quality business and is one of the steps the company is taking to maintain steady production. About 500 agents have signed up.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

Brings Out \$1,080 Contract

Lincoln National Issues Insurance-Annuity Combination Paying Dividends After Nine Years

The Lincoln National Life announces it will issue a so-called "1080" contract, a combination of single premium life insurance and immediate life annuity, with face amount \$1,000 per \$1,080 consideration. The annuity income payable is an amount which the \$1,080 per unit, less regular single premium for the \$1,000 of life insurance, will buy at the regular annuity rates. This income may be made payable monthly, quarterly, semi-annually or annually.

There is no medical requirement. The combination contract will not be issued for less than one unit, nor more than 25 units, or \$27,000 total deposits. It will be issued to both males and females at all ages and regular non-forfeiture values applicable to the single premium life contracts are available.

The consideration is based on non-participating rates, both for the life portion and the annuity, but the contract will participate in surplus distribution at the end of the 10th year, which will increase the guaranteed income payable.

It is necessary to complete two regular applications, for the life portion and the annuity. Liberal commissions are paid.

Issues Several Rulings

Several rulings effective April 1 were announced. On single premium insurance and annuity contracts, maximum single premium, including single premium contracts in force, is \$25,000 except on combination life and annuity contract where the total is \$27,000. The minimum endowment period for single premium contract is ten years, endowments of nine years or shorter maturity to be no longer issued. Single premium contracts will not be issued until full cash settlement is received at the home office or branch office.

On annual premium insurance contracts, minimum endowment period will be five years, the maximum annual premium accepted for 15 year and shorter term endowment being \$5,000. On annual premium contracts, annuities or retirement income, the maximum annuity at retirement age will be \$1,000 a month and the annual premium not exceeding \$5,000.

Penn Mutual Dividends on Additional Forms Are Given

New dividends of the Penn Mutual effective July 1 were presented last week for ordinary life, 20 pay and retirement income at 65. The scale per \$1,000 for other forms is:

20 Year Endowment					
Aver. Div. (Years)		Dividend Accumulations (Years)			
Age	5	10	15	20	
20	4.18	7.61	21.88	59.79	118.94 207.06
21	4.24	7.67	22.16	60.47	120.11 208.75
22	4.30	7.72	22.49	61.16	121.21 210.30
23	4.35	7.77	22.74	61.77	122.25 211.77
24	4.41	7.83	23.08	62.49	123.51 213.56
25	4.48	7.89	23.44	63.29	124.78 215.33
26	4.55	7.95	23.81	64.16	126.25 217.28
27	4.62	8.01	24.16	65.00	127.62 219.13
28	4.71	8.09	24.63	66.05	129.27 221.39
29	4.78	8.14	25.00	66.88	130.55 223.14
30	4.85	8.21	25.52	68.03	132.19 225.39
31	4.97	8.29	26.02	69.24	133.88 227.75
32	5.07	8.36	26.54	70.41	135.43 229.91
33	5.18	8.43	27.08	71.45	136.94 232.05
34	5.30	8.50	27.72	72.63	138.66 234.45
35	5.42	8.57	28.35	73.70	140.23 236.65
36	5.56	8.65	29.10	74.78	141.84 238.96
37	5.68	8.72	29.74	75.82	143.45 241.22
38	5.79	8.79	30.32	76.77	145.01 243.47
39	5.88	8.86	30.78	77.69	146.45 245.58
40	5.95	8.92	31.14	78.49	147.76 247.48

Aver. Div. (Years)		Dividend Accumulations (Years)			
Age	5	10	15	20	
41	5.99	8.99	31.36	79.15	148.88 249.22
42	6.06	9.06	31.71	80.11	150.31 251.32
43	6.12	9.12	32.05	80.98	151.66 253.34
44	6.21	9.19	32.50	81.97	153.13 254.32
45	6.30	9.26	32.96	82.90	154.44 257.48
46	6.40	9.33	33.52	83.93	155.89 259.68
47	6.51	9.40	34.10	84.99	157.33 261.86
48	6.62	9.47	34.65	85.96	158.66 263.97
49	6.73	9.55	35.25	87.02	160.10 266.23
50	6.84	9.62	35.78	87.90	161.32 268.28
51	6.92	9.67	36.22	88.57	162.23 269.94
52	7.00	9.74	36.66	89.24	163.24 271.90
53	7.08	9.81	37.08	89.84	164.12 273.73
54	7.14	9.89	37.40	90.34	164.89 275.75
55	7.20	9.98	37.69	90.78	165.77 277.98
56	7.23	10.07	37.85	91.10	166.69 280.31
57	7.27	10.19	38.09	91.59	168.02 283.20
58	7.30	10.31	38.25	91.90	169.44 286.29
59	7.32	10.45	38.32	92.14	171.15 289.83
60	7.34	10.62	38.43	92.69	173.32 294.01

Retirement Income—55 (Male)		Maturity Value \$1,584—\$10 per Month			
Aver. Div. (Years)		Dividend Accumulations (Years)			
Age	5	10	15	20	At Age 55
10	3.58	5.28	18.61	47.21	147.00 874.62
11	3.58	5.35	18.62	47.46	148.61 840.72
12	3.57	5.41	18.66	47.70	150.28 807.86
13	3.57	5.49	18.67	47.96	152.06 775.93
14	3.58	5.56	18.71	48.20	153.93 744.76
15	3.58	5.65	18.75	48.53	155.09 715.26
16	3.60	5.77	18.82	49.08	159.03 688.30
17	3.63	5.90	18.99	49.83	162.59 663.18
18	3.67	6.05	19.18	50.60	166.25 638.35
19	3.70	6.19	19.37	51.43	170.11 614.11
20	3.74	6.35	19.60	52.28	174.14 590.28
21	3.80	6.52	19.88	53.32	178.76 567.65
22	3.84	6.69	20.08	54.20	183.06 544.44
23	3.90	6.88	20.40	55.36	188.04 522.58
24	3.93	7.06	20.58	56.31	192.68 500.03
25	3.99	7.27	20.87	57.48	197.97 478.64
26	4.30	7.57	22.49	60.99	206.96 462.57
27	4.36	7.80	22.82	62.30	212.82 441.65
28	4.44	8.05	23.23	63.84	219.37 421.44
29	4.52	8.33	23.67	65.44	226.59 401.58
30	4.60	8.63	24.08	67.06	234.26 381.74
31	4.99	9.09	26.12	71.57	246.92 367.09
32	5.11	9.47	26.73	73.57	256.74 348.19
33	5.21	9.89	27.26	75.57	267.33 329.26
34	5.35	10.37	27.98	77.79	279.41 310.95
35	5.47	10.90	28.59	79.88	292.36 292.36
36	5.43	11.50	32.68	90.70	...
37	6.62	11.59	34.63	93.77	...
38	6.80	11.65	35.57	96.94	...
39	6.98	11.71	36.52	100.51	...
40	7.15	11.76	37.40	104.46	...
41	8.49	12.72	44.43	120.71	...
42	8.78	12.90	45.94	126.96	...
43	9.13	13.10	47.73	134.66	...
44	9.53	13.33	49.85	144.14	...
45	10.02	13.59	52.38	155.77	...

Retirement Income—60 (Male)		Maturity Value \$1,438—\$10 per Month			
Aver. Div. (Years)		Dividend Accumulations (Years)			
Age	5	10	15	20	At Age 60
20	3.79	5.74	19.85	50.67	159.46 700.28
21	3.85	5.89	20.16	51.65	163.28 675.88
22	3.89	6.02	20.37	52.43	166.70 650.67
23	3.95	6.16	20.67	53.44	170.64 627.02
24	4.01	6.31	20.99	54.46	174.66 603.61
25	4.07	6.47	21.28	55.51	178.73 580.56
26	4.13	6.63	21.62	56.60	183.04 558.07
27	4.19	6.79	21.91	57.69	187.29 535.51
28	4.26	6.97	22.30	58.98	192.07 514.13
29	4.33	7.15	22.68	60.33	197.98 492.83
30	4.41	7.34	23.10	61.76	202.14 472.01
31	4.72	7.63	24.69	65.24	210.45 455.53
32	4.82	7.85	25.24	66.91	216.43 435.64
33	4.92	8.08	25.77	68.48	222.61 415.84
34	5.03	8.33	26.33	70.04	229.07 396.20
35	5.14	8.59	26.90	71.54	235.87 376.58
36	5.56	9.00	29.10	75.77	247.59 362.21
37	5.70	9.35	29.81	77.66	256.56 343.76
38	5.81	9.73	30.42	79.49	266.20 325.22
39	5.90	10.16	30.89	81.22	276.67 306.68
40	5.98	10.63	31.32	83.11	288.48 288.48
41	6.82	11.21	35.68	93.03	...
42	6.93	11.29	36.29	95.59	...
43	7.07	11.36	37.00	98.50	...
44	7.24	11.44	37.89	101.99	...
45	7.42	11.49	38.90	105.66	...
46	8.72	12.44	46.65	121.21	...
47	9.06	12.65	47.39	127.32	...
48	9.43	12.89	49.32	134.60	...
49	9.85	13.14	51.52	143.53	...
50	10.33	13.42	54.01	154.42	...

Midland Life
The Midland Life of Kansas City has decided to continue its 4 percent interest rate on funds left with it, 3 1/2 percent being guaranteed and the balance excess.

New Webster City Club
The Life Insurance Solicitors Club was formed at Webster City, Ia., with 12 charter members. Ed. Ludien was named president and H. J. Fisher, secretary. Meetings will be held the first Monday in each month.

AMERICAN CENTRAL LIFE INSURANCE COMPANY

ESTABLISHED 1899

INDIANAPOLIS, INDIANA

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NEWS OF LIFE ASSOCIATIONS

Hold Little Rock Congress Meeting of Knoxville Body

L. O. Schriver Extends Greetings Over Phone Hookup; Wilson Heads State Association

The annual sales congress of the Arkansas association and Little Rock association was addressed by L. O. Schriver, Peoria, Ill., general agent Aetna Life and president National Association of Life Underwriters; O. Sam Cummings, Dallas, secretary National association, and other leading insurance men.

L. M. Wilson, Jonesboro, Equitable Life of New York, was elected president of the state group; D. B. Aycock, Jonesboro, general agent Lamar Life, vice-president; V. A. Pate, Texarkana, manager Aetna Life, second vice-president; J. T. Dearing, Pine Bluff, Protective Life, secretary-treasurer. N. E. Lisk, Little Rock, manager Metropolitan, was named national councillor.

Retiring officers are C. H. Wickard, Little Rock, president; A. B. Hill, Little Rock, vice-president; W. W. Taylor, Pine Bluff, second vice-president; J. Warren Stevens, Texarkana, secretary-treasurer.

Mr. Cummings discussed prospecting methods and predicted "a year of pre-depression success." Mr. Schriver extended greeting over long-distance telephone from Miami, Fla.

E. A. Gillespie, Shreveport, La., spoke briefly on programming. C. T. Evans, formerly insurance man associated with the Arkansas Power & Light Company, was principal speaker at the luncheon.

Paul Speicher, Insurance Research & Review, was a speaker on the program. He said the source of income must be either man's work or the work of his dollars. More than ever life insurance is the logical basis of a life financial plan.

Other speakers were P. O. Works, St. Louis, and Fred Poe, Little Rock. Mr. Works urged agents to dramatize their work, translate it into everyday language. Mr. Poe described activities of the American College of Life Underwriters.

Foster Vineyard, general chairman sales congress committee, presided in the morning; J. J. Harrison at luncheon, and Paul Atkinson, president Little Rock association, in the afternoon.

Birmingham Sales Congress Is Held by Agents' Group

BIRMINGHAM, ALA., March 26.—Home talent was used exclusively for the annual sales clinic of the Birmingham association, attended by 200 agents. Speakers included A. K. Foster, assistant trust officer Birmingham Trust & Savings Company, R. N. Bell, leading producer Birmingham office, New York Life, and W. I. Pittman, general agent John Hancock, Birmingham.

A demonstration of a planned sales presentation was given by two agents from the office of O. L. Mims, district manager Metropolitan. Mr. Mims explained why a memorized presentation is sometimes effective, especially if an answer can be given to objections.

Mr. Foster stated a trust company endeavors to conserve wealth created by insurance men and consequently the two interests can work closely together. Advantages of having a corporate trust concern handle an estate rather than a private individual were cited. He said business insurance offers a happy solution for many estate problems.

Mr. Pittman talked on "Agent's Mission and Opportunity," praising the life agent as a builder of wealth and reducer of poverty. He told prospecting methods he used as a half-million dollar producer last year.

Plans Are Being Completed for the Sales Congress to Be Held There May 1

A. Walton Litz, Nashville, manager Great Southern Life and president Tennessee Life Underwriters Association, was the principal speaker at the meeting of the Knoxville association Friday. He spoke on "A Formula for Success." He stressed the importance of a salesman having a quota, planning his work, controlling his time and consistent production. Henry W. White, Knoxville, general agent Massachusetts Mutual, president Knoxville association, presided.

Hal Blair, Phoenix Mutual, reported for the sales congress committee. The state association will hold a sales congress at Knoxville May 1.

The following speakers have already been arranged for: J. E. Kavanagh, vice-president Metropolitan; James Elton Bragg, New York City, Guardian Life; E. R. Geter, Rock Hills, S. C., Equitable Life of New York; and Neil Himel, New Orleans, Mutual Life of New York.

O. Sam Cummings, Dallas, Texas, manager Kansas City Life, secretary of the National association, will address the Knoxville group on April 22 on "Time Control and Planning."

Litschgi Named President at Florida Association Meeting

MIAMI, FLA., March 26.—Albert W. Litschgi of Tampa was elected president at the fourth annual sales congress of the Florida Association of Life Underwriters here. Other officers chosen were: Vice-presidents, A. R. Cassidy, Miami; A. LeRoy Johnson, Jacksonville; H. B.

Bruchholz Becomes Head of Association in Chicago



FREDERICK BRUCHHOLZ

Frederick Bruchholz, agency director New York Life in Chicago and vice-president Chicago association, with the death of President I. B. Jacobs becomes chief officer. His election as president at the annual meeting June 16 probably will come as a matter of course, for he is one of the most active workers in the organization. Mr. Bruchholz has come up through the ranks in the Chicago association, being a willing and able worker. He is also president of the Chicago chapter of C. L. U.

Zimmerman, Daytona Beach; secretary-treasurer, L. R. Nicholas, Tampa. The board is composed of presidents of the local associations. D. L. Smith of Orlando was elected to the national executive committee.

The next convention probably will be held either at St. Petersburg or Lakeland in 1937.

Kavanagh South Carolina Speaker

J. E. Kavanagh, second vice-president Metropolitan Life, addressed the South Carolina sales congress at Columbia and then appeared before the Charlotte, N. C., Life Underwriters Association the next day.

Huntington, W. Va.—Manuel Camps, Jr., Boston general agent of the Penn Mutual, talked on "What Price Organized Sales Talk?" He also appeared before a sales congress conducted by the S. C. Lawrence, Penn Mutual general agency here.

Watertown, S. D.—The Watertown association has been incorporated.

San Francisco—H. E. North, vice-president Metropolitan Life, will discuss present trends in the business and plans for 1936 observance of Life Insurance Week at a special meeting of the General Agents & Managers Section and the association March 27.

Kansas City, Mo.—Barney Nudelman, general agent Connecticut Mutual Life, Albany, N. Y., will talk on "Prospecting" March 23.

Toledo—The Toledo association has enlisted the support of the police and civic organizations in its "Save-A-Life" campaign. R. C. Johnston, Acacia Mutual is chairman of the committee.

The members heard an address on industrial insurance by Willard Swartzbaugh, superintendent of the Prudential here.

"This type of insurance has created the thrift habit in a class of people who otherwise would not be able to save any substantial amount of money," he said. There should be no competition between agents for industrial and regular types of insurance. The two fields are distinctly separate."

Oklahoma City—B. F. Biggers, president Republic Life of Oklahoma, spoke at the March meeting of the Oklahoma association here. Pointing out the difference between "Suspect and Prospects" the speaker cited old policyholders as the best prospects, adding that they should be called on at least once a year. Government activities toward redistribution of wealth, he said, created untold possibilities for prospects among laborers and farmers, all of whom have better incomes than ever before.

Oakland, Cal.—Frank W. Bland, Pacific Coast manager of The National Underwriter, discussed "Motivation in the Selling of Life Insurance."

Iowa—The annual convention will be held in Cedar Rapids May 22-23.

Cherokee, In.—W. K. Herrick, lawyer, spoke on the "Legal Aspects of Life Insurance."

Shreveport, La.—The sales congress was a big success. Carey Selph of Houston, connected with the Great Southern Life, who was formerly White Sox second baseman and later manager of the Houston Baseball Club, spoke on "Baseball vs. Insurance." Charles Mesman, assistant agency manager of the Pan-American Life, was a speaker. Paul Speicher of the R. & R. Service of Indianapolis, had as his theme, "Logic of Life Insurance." L. E. Throgmorton, assistant manager of the Aetna Life, presided over the meeting.

Flint, Mich.—"The top of the ladder is the only place where I have found plenty of room," Vash Young, agent-author, declared. "The bottom of the ladder," he said, "is overcrowded with inefficient and people who are worrying over themselves. Get up in the morning and count your blessings; make someone happy before you leave home; mind your own business; go right when things go wrong; rejoice over the other fellow's success; be cheerful, tolerant and kind;

live within your income; go giving instead of go getting." This "design for living," he said, holds the keys to a successful and happy life.

Lakeland, Fla.—The Lakeland association has been organized with the following officers: President, Earl Willis Prudential; vice-presidents, C. Hedger, Equitable, and C. Wheeler, New York Life; secretary, Harry Kucher, Metropolitan.

Denver—C. J. Frisbie, Seattle, general agent of the New England Mutual, was the speaker before the Colorado association meeting. Horace Mecklen, general agent for the New England Mutual at Portland, Ore., will be the speaker for the April meeting. He will stop in Denver while en route to appear before sales congresses in Kansas City and St. Louis.

Davenport, Ia.—Dr. S. S. Huebner, president of American College of Life Underwriters and professor of insurance and commerce at Wharton School of Pennsylvania, will address the association April 2. It will be a dinner meeting and open to all business men. Dr. Huebner will discuss "Business Recovery and Life Insurance," dealing especially with the subject of inflation.

Chicago—Charles J. Frisbie, general agent New England Mutual, Seattle, will speak April 1 at the monthly luncheon on "It's All in the Approach." He was on the Des Moines national convention program. His average production in the last ten years has been \$350,000 paid for annually in more than 100 cases.

Sheboygan, Wis.—E. L. Carson, agency manager for the Equitable Life at Milwaukee, was the principal speaker at a meeting attended by 50 life men and their ladies from this city, Milwaukee, Manitowoc and Waukesha. The dinner party was arranged by Charles Heald, president; Harold Shadd, vice-president, and A. E. Steinhorst, secretary-treasurer.

Baltimore—Lester O. Schriver of Peoria, Ill., national president, was the guest of honor and principal speaker at the meeting Thursday. The affair has been designated as the "meeting extraordinaire" of the year and a 100 percent attendance was looked for.

Nashville—H. M. Powell, vice-president of the Atlanta Life Managers Club, is addressing the meeting this week.

AGENCY NEWS

Scott Trophy Presented

The H. G. Scott Trophy, won by the Florida-Georgia department of the Reliance Life of Pittsburgh for outstanding agency performance, business produced and management in 1935, was presented at a luncheon in Jacksonville, Fla., by E. C. Sparver, director of agencies, and Assistant Secretary B. L. Sichelstiel. R. P. Fraser, branch office manager, Atlanta, was chairman of the morning meeting and H. R. Zimmerman, Daytona Beach, was toastmaster at the luncheon.

Hanselman Visits Philadelphia

W. F. Hanselman, superintendent of agencies Union Central Life, addressed a sales meeting of the Harry Newman agency in Philadelphia, which was attended by 25 agents. That evening a dinner was held in the Reading office, followed by a sales meeting attended by the members of the new Reading unit. The unit, recently established by Mr. Newman under the direction of Ralph Humphreys, already contains eight full-time agents who have paid for nearly \$500,000 of business since Jan. 1.

The Newman agency expects to write considerably more than \$1,000,000 in March.

MacLeod Talks in Omaha

Sayre MacLeod, Jr., superintendent of the Prudential's ordinary agencies, spoke to the Omaha agency at a luncheon meeting. H. B. Ramsey, Omaha manager, presided.



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Agency Vice-President.

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AS SEEN FROM NEW YORK

By R. B. MITCHELL

HELSEY WITH HOME LIFE

The Home Life of New York has appointed Ray B. Helsey, former agency secretary of the Yeomen Mutual Life of Des Moines, to have charge of its advertising, publicity and supervising of field service. He succeeds C. C. Nash, who recently resigned to go with the "Weekly Underwriter."

Coincident with Mr. Helsey's appointment the company is making its advertising a part of its agency department rather than a separate department as in the past, in order to bring about the closest possible cooperation between advertising and the field men.

Mr. Helsey was with the Yeomen Mutual for four years before going to the Home Life. During that time his department originated five pieces of advertising which earned major awards at the first convention of the Life Advertisers Association.

Before joining the Yeomen Mutual he was four years with the W. A. Sheaffer Fountain Pen Company at Fort Madison, Ia., on the road for two years and later assistant to the sales promotion manager. He is a native of Fayette, Mo., a graduate of Drake University, and was for two years after graduation assistant manager of the insurance section of the St. Louis Better Business Bureau.

WILL RECORD LIFE TALKS

To bring to the widest audience of life men the spoken words of the leaders in the business, the Master Salestalks Recording Bureau has been organized in New York City with Lloyd Patterson, general agent of the Massachusetts Mutual Life, as editor and W. C. Bawden as executive secretary. Mr. Bawden was formerly supervisor of the C. D. Connell agency in New York City of the Provident Mutual Life and before that executive manager of the New York City Life Underwriters Association. More than 40 of the best known speakers in life insurance are already under contract to make records. The organization's advisory board includes some of the best known men in the business.

Official announcement of the new service was made this week at a luncheon at which the clarity and life-like quality of the recordings were demonstrated. It was also announced that arrangements are being made to extend the scope of the service to insurance other than life and eventually to fields outside insurance.

Mr. Patterson pointed out that the records will play on any phonograph, electrical or mechanical; that they will give agents the repetition necessary for thorough assimilation of ideas and impress them with the value of preparation. It will aid in directing new men and veterans and in the recruiting of new agents, he said, and keep the entire agency in constant touch with the best thoughts of the leaders in the business. Among other points he cited the emphasis the records give to the importance of expression, as a contribution to effectiveness in selling.

A feature of the announcement were recordings especially for the event made by C. P. Dawson, New England Mutual Life; R. G. Engelsman, Penn Mutual; T. M. Riehle, Equitable; and Managing Director R. B. Hull of the National Association of Life Underwriters.

The advisory board consists of C. D. Connell, chairman, Provident Mutual, New York City; C. O. Fischer, Massachusetts Mutual, St. Louis; F. W. Darling, Bankers Life, Cedar Rapids, Iowa; O. Sam Cummings, Kansas City Life, Dallas; A. E. Patterson, Penn Mutual, Chicago; T. M. Riehle, Equitable of N. Y., New York City; Sidney Wertimer, Prudential, Buffalo; J. A. Witherpoon, Jr., Pacific Mutual, Nashville; John W. Yates, Massachusetts Mutual, Los Angeles; C. J. Zimmerman, Connecticut Mutual, Newark, N. J.; Hubert

Greaves, professor public speaking, Yale University.

The new venture will not diminish Mr. Patterson's activity as a general agent, as the entire business of the bureau is being conducted by Mr. Bawden.

L. O. Schriver, president National Association; T. M. Riehle, L. G. Simon, Clancy Connell, general agent Provident Mutual; Ralph Engelsman, Charles Zimmerman, general agent Connecticut Mutual, Newark; and Glenn Dorr, president New York association, attended the meeting. Telegrams of endorsement and congratulation were read from A. E. Patterson, general agent Penn Mutual, Chicago; Frank Pennell, general agent State Mutual; J. E. Bragg, H. J. Johnson, general agent Penn Mutual, Pittsburgh; E. W. Oen, manager Sun Life, Detroit; and C. O. Fischer, general agent Massachusetts Mutual, St. Louis.

WITH "WEEKLY UNDERWRITER"

Chester C. Nash, who has been advertising manager of the Home Life of New York for the last five years, has joined the "Weekly Underwriter" at New York as life insurance editor. He is a graduate of Northwestern University. He was connected with THE NATIONAL UNDERWRITER for some 10 years, first at Chicago and then became life insurance editor at New York. He is a man of fine ability.

Mr. Nash succeeds C. B. Petrie, Jr., who has been elected a vice-president of the "Weekly Underwriter" and will be associated with the business department.

PHOENIX MUTUAL AGENCY

The Phoenix Mutual Life is now completing the opening of its new agency at 19 Rector street, New York City, to be in charge of Charles K. Oaks. He is better known as "Tim" Oaks. He joined the home office agency after graduating from Colgate in 1922 and started out with a rate book. He was appointed supervisor in 1934 and has made a success in that line. He has gotten training which will be of great advantage in his larger responsibilities.

Life Companies Are Ranked by Their Amount in Force

(CONTINUED FROM PAGE 2)

Confederation Life and the Kansas City Life changed places, the former being 37th this year. The Northwestern National went ahead of the Fidelity Mutual to 39th place. The Occidental of California made a sharp move upward, going from 53rd in 1935 to 46th in 1936. The Central of Iowa went from 46th to 49th place, while the Monumental Life went from 52nd to 50th. The Minnesota Mutual went back a notch, while the State Life of Indiana advanced three places, as did the Continental Assurance and the Life & Casualty of Tennessee.

Companies Advance

The Ohio National went from 55th to 56th place, while the American Central and Columbian National each made a step upward. The Crown of Canada went from 64th to 60th, and the Pan-American and Mutual Trust exchanged places, the former going to 61st. The Shenandoah advanced two places, while the Hercules Life which ranked 65th dropped from 51st place in 1935. The Atlantic Life went up two places, Commonwealth three, North American Reassurance dropped one notch. The Illinois Bankers made a sharp gain taking the Abraham Lincoln Life, going from 93rd to 69th. The Alliance Life dropped from 65th to 74th, the Pilot Life went up two places, the United Mutual down five notches, the Midland Mutual down three places.

The Volunteer State Life dropped from 77th to 84th place, and the Yeomen

Mutual dropped from 81st to 86th. The Indianapolis Life went down two places, the Baltimore Life advanced one, the Amicable went up three, the Northern Life went down two, the Security Mutual of New York down four, the Central States Life down six. The United Benefit went from 104th to 94th place, the Federal Life went from 90th to 95th, while the Country Life went from 101st to 96th. The Provident Life & Accident went down two places, while the Protective Life of Alabama advanced four.

Claris Adams Speaker at the Cincinnati Meeting

"Life insurance is the greatest private institution dedicated to the cause of social security the world around," declared Claris Adams, executive vice-president American Life of Detroit, before the Cincinnati Life Underwriters Association. He discussed the social and economic implications of life insurance, pointing out that it has been a pillar of economic security, the life insurance companies paying out an amount equal to nearly five percent of the national income during the depression. Mr. Adams condemned the social security act in strong terms, but expressed the belief that something could be worked out using it as a basis.

In 1934, he said, the life companies were taxed 37 percent of their net earnings. He vigorously attacked the "soak the surplus" bill, expressing the belief, however, that the House Ways and Means Committee was now convinced that life insurance companies should be exempted from the tax on surplus. Character ultimately rests on sacrifice and wealth is obtained by thrift, he declared, emphasizing that life insurance implies both of these qualities. It contributes psychologically to the existing order by commending the capitalistic system and private property rights.

Real independence rests upon economic as well as political freedom and life insurance is a "centripetal and cohesive force in the American economic and social system."

Federal Union Life Case

An appeal was filed in the U. S. circuit court of appeals at Cincinnati, Monday by the Federal Union Life and the Ohio department protesting the payment of \$10,000 fees to attorneys and L. J. Huwe and W. J. Leonard, former receivers for the company, authorized by Judge Nevin when Huwe and Leonard were discharged as receivers by the appellate court. The receivers were appointed by Judge Nevin in a suit filed by J. S. Williams, Indianapolis, a policyholder. Complying with the mandate of the appellate court last November, Judge Nevin, is discharging the receivers, allowed each of them \$2,350, \$3,000 to Pogue, Hoffheimer & Pogue, attorneys, counsel for the receivers, and \$100 each to three appraisers.

Judge Nevin then ordered Huwe and Leonard to retain \$10,000 of the company's funds pending an action for an appellate court decision affirming allowance of the fees or ordering the money returned to the company. The appeal filed this week seeks this decision.

Whitlock Fetes Leaders

Seven Nebraska agents of the Northwestern National Life, who qualified in a ten months campaign in which \$250,000 business had to be written, were feted at a dinner by G. R. Whitlock, Omaha manager, prior to their departure for the company's 50th annual convention.

The St. Louis agency of the Mutual Life of New York under the management of J. A. Dieffenbach on May 1 will move its headquarters to the Arcade building to new and enlarged quarters. A. R. Harper, auditor of the Ohio State Life, who has a national reputation as a naturalist, will address the Toledo Federation of Garden Clubs March 31 on "The Wild Flowers of Ohio."

General American Control Changes

(CONTINUED FROM PAGE 3)

when it assumed the business of the Missouri State. The final payments for this stock were made by the General American in 1934 and 1935. This new voting trust agreement for the Southwestern Life stock will continue over a period of years the existing voting trust for the Dallas company with the present trustees continuing. They are: C. F. O'Donnell, president Southwestern Life; Arthur Coburn, vice-president, and R. H. Stewart, chairman of the First National Bank in Dallas.

Management to Be Independent

The arrangements for these voting trusts with different trustees assure the independence of the management of the two companies. No officer or director of either company is now or will be an officer or director of the other company. It was stated that no change in the directorate or official staff of either the General American Life or the Southwestern Life is contemplated.

President Head issued a statement, expressing gratification that the first step had been taken towards mutualizing the General American.

Superintendent O'Malley was attending a Democratic conference at Columbia when the news of the deal became public. He said he could not discuss what steps he might take. He had discussed the situation with the attorneys.

Head Is Praised

He made it clear that anything he might say regarding the sale of control of the General American should not be regarded as any criticism of the administration of President Head. He said he disapproved the transaction and he would exert his power to eradicate Wall Street control over Missouri insurance companies.

He stated that the policyholders should not feel in any way uneasy about the soundness of their protection.

"In my opinion," he declared, "my blocking of the attempts of the Equity Corporation of New York to collect excessive management fees from the General American chargeable to the Missouri State Life account caused these Wall Street interests to view the General American contract less advantageously than they had expected it to turn out."

When it became known in financial circles that Equity might consider an offer for its holdings certain Dallas interests close to the Southwestern Life decided to take immediate steps to pro-

tect the Dallas company against the controlling stock in that concern falling into undesirable hands. It is understood the first intimation to outsiders that the deal had been consummated came when Equity Corporation announced the declaration of a substantial dividend on its stock.

From an informed source it was learned that the following steps were taken in connection with the stock transaction:

1. The Southwestern Investors Corporation of Dallas was organized with \$100,000 of capital stock by interest friendly to the Southwestern Life.

2. An agreement was reached whereby Southwestern Investors Corporation purchased from the Equity Corporation 41,666 shares of General American stock for \$60 a share or a total of \$2,499,960.

3. The Southwestern Investors Corporation then issued \$2,400,000 of 3 percent first mortgage bonds against these 41,666 shares.

4. The entire issue of \$2,400,000 in bonds was then purchased by the Southwestern Life at par.

Additional Purchase Made

5. The Southwestern Life also purchased on its own account from the Equity Corporation 3,334 shares of General American at \$60 a share.

6. The Southwestern Investors Corporation then authorized the trustee of control of the General American under an irrevocable trust for a long period of years. Subsequently it was decided that Messrs. Head, Moloney and Langenberg should be the trustees.

7. Assurances were given that the Southwestern Life would not become interested in the management of the General American and that no officer or director of either company would become an officer or director of the other.

8. The Southwestern Investors Corporation announced it was willing to sell the General American stock for the price paid in furtherance of a movement for mutualization of the St. Louis company. Likewise, they would look with favor on the sale of the General American holdings in the Southwestern at an equitable price.

O'Malley Wants a Conference

Superintendent O'Malley telegraphed to Commissioner Daniel of Texas requesting a conference in connection with the General American - Southwestern Life deal. In that wire Mr. O'Malley charged that the transaction was "in absolute violation of the insurance investment laws of Texas and I am not at all certain that the penal laws of your state, as well of those of Missouri, were not violated." He stated he is interested in removing from Missouri companies "stock manipulators and would-be great financiers, who have caused so many insurance scandals." He contended insurance supervisors should be alert and always willing to take drastic action if necessary to protect policyholders.

Mr. O'Malley advised the Texas commissioner that Arthur Coburn in St. Louis two months ago was told by Milton and Huntington that they objected to the restrictive investment laws of Missouri and were dissatisfied with O'Malley's attitude towards their policies in the General American. They told Coburn that they had a bid of \$65 for their stock and intended to get out.

Fears "Wrong" Control

Mr. Coburn was disturbed at the probability of the holdings getting into "wrong" hands. Subsequently the deal with the Southwestern was advised and consummated. Mr. O'Malley said it was a mistake to complete the transaction without conferring with the Texas and Missouri departments.

"They submitted to coercion," Mr. O'Malley wired. "I am just as much opposed as you are to racketeering

whether it emanates from Cicero, near Chicago or from Wall street, New York." At the conference with Commissioner Daniel Mr. O'Malley said he would like to have present Mr. Coburn and Mr. Head and President C. F. O'Donnell of the Southwestern and Huntington and Milton if possible.

Commissioner Daniel is quoted as saying that he discerns nothing irregular in the deal. He expressed the belief that it is better to have the General American in the hands of experienced Texas insurance men than in the hands of those who know nothing about insurance. Mr. Daniel said he would confer with Mr. O'Malley but the conference would have to be in Dallas.

Agents' Status Is Not As Yet Clear

(CONTINUED FROM PAGE 3)

methods for accomplishing the result, he is an independent contractor, not an employee.

"If the relationship of employer and employee exists, the designation or description of the relationship by the parties as anything other than that of employer and employee is immaterial. Thus, if two individuals in fact stand in the relation of employer and employee to each other, it is of no consequence that the employee is designated as a partner, coadventurer, agent or independent contractor.

Independent Contractors

"Individuals performing services as independent contractors are not employees. Generally, physicians, lawyers, dentists, veterinarians, contractors, subcontractors, public stenographers, auctioneers, and others who follow an independent trade, business, or profession, in which they offer their services to the public, are independent contractors and not employees. An officer of a corporation is an employee of the corporation, but a director, as such, is not. A director may be an employee of the corporation, however, if he performs services for the corporation other than those required by attendance at and participation in meetings of the board of directors."

Interpretations of state unemployment compensation acts are uniformly that insurance agents on commission are independent contractors. This was the ruling in memorandum decisions by the Wisconsin industrial commission. An opinion by the attorney-general of Alabama exempted insurance agents strictly on commission, and the California regulations exempted insurance agents and solicitors remunerated principally from commissions.

Generally, life insurance premiums paid by the employer covering the life of an employee constitute wages in calculating the amount of tax, if the employer is not a beneficiary under the policy; but premiums paid by an employer on group life policies on employees are not wages, if the employee has no option to take the amount of the premiums instead of accepting the insurance and has no equity in the policy such as right of assignment or of surrender on termination of his employment.

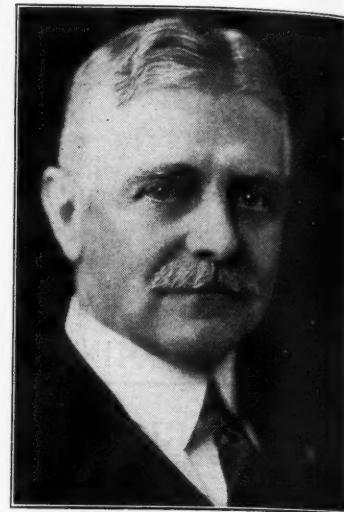
Kingsley Election Meets With a Hearty Response

(CONTINUED FROM PAGE 3)

has done some remarkable work. Undoubtedly his early training came in good stead, because in 1896 he was appointed western financial representative with headquarters at Denver and during that time he had charge of western investments. This gave him an insight into the development of the great territory west of the Mississippi.

Mr. Kingsley has had an all-round training with the Penn Mutual which has given him an insight into its various activities. For instance, he was secre-

Not a Candidate



JULIAN PRICE

Julian Price, president Jefferson Standard Life of Greensboro, N. C., announced in the Sunday papers that he has definitely decided not to become a candidate for governor of his state. He had been pressed very hard by prominent citizens throughout North Carolina to make the race. President Price explained that his decision was influenced very largely by the wishes of those with whom he is associated in his company. He said that he had received great cooperation from them all along the line and that he felt he must acquiesce now to their wishes so far as any political ambitions are concerned.

The Greensboro "Daily News" in an editorial on Mr. Price's decision not to enter the primary race pays him high compliment, saying that there was already in the state what may be called a Julian Price party. It consists of those who would like to see popular government under an individualist system simplified to the point where it can act where it can be really popular, actually representative; it would like to see that tribe abandoned for communism.

tary and treasurer in 1903, serving until 1906 when he became second vice-president. In these various positions he got a viewpoint of the company as a whole.

Among his other duties was taking charge of the erection of the new home office building, first when the company moved from Ninth and Chestnut streets to Sixth and Walnut, and again when it erected its present annex and enlarged its home office.

Human and Sympathetic

If one inquires of a Penn Mutual man at the head office or in the field what characteristic of Mr. Kingsley is most impressive he immediately gets the response that Mr. Kingsley is thoroughly human and sympathetic with all in the organization. His amiable and understanding mind is thus the dominant force in his associations.

Mr. Kingsley is the only graduate of Girard College in Philadelphia ever elected to the board of directors of the City Trust of Philadelphia, which manages the college as a part of the estate of the famous Stephen Girard. On the birthday anniversary of Stephen Girard last year the college alumni presented Mr. Kingsley with a Stephen Girard award for distinguished service to the institution.

Joseph C. Peacock, formerly with the home office agency department of the San Jacinto Life, and with the Minnesota Mutual Life as Beaumont, Tex., general agent, has been appointed manager of the Palestine, Tex., Chamber of Commerce.

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Iowa Makes Demand for Tax

Out-of-State Societies Assessed 2½ Percent, Domestic 1 Percent by Department

DES MOINES, March 26. — The Iowa insurance department has made a demand on fraternal societies operating in that state for premium tax declared to be due April 1 on all 1935 new business, less certain deductions. This adds another state to the growing list of those seeking to levy on societies premiums under the assumption they have changed from the original conception and are conducting virtually a commercial business.

Statements for the amounts demanded were mailed to societies at the same time that statements were mailed to other companies. The tax demanded is 2½ percent on out-of-state societies and 1 percent on Iowa domestic societies.

Society leaders sensed the implication that societies' licenses would not be renewed unless the tax was paid, but there was nothing directly in the statements to indicate such an attitude.

May Seek Test Case

The department desires a test case in court to determine the right to tax fraternal premiums where they are doing a mixed business. The distinction between fraternal and mutual insurance business is not clear, the department says, quoting John Speidel, deputy commissioner.

Approximately \$80,000 tax on fraternal is involved.

The fraternal which have been taxed \$1,000 or more based on 2½ percent of premiums are: Modern Woodmen, Rock

Island, Ill., \$37,124; Royal Neighbors, Rock Island, \$11,069; Woodmen of the World, Omaha, \$4,555; A. O. U. W., Fargo, \$4,211; Fidelity Life, Fulton, Ill., \$3,452; Aid Association for Lutherans, Appleton, Wis., \$2,811; Catholic Order of Foresters, Chicago, \$2,621; Lutheran Brotherhood, Minneapolis, \$2,255; Security Benefit, Topeka, Kan., \$2,669; Maccabees, Detroit, \$2,614; Ben Hur Life, Crawfordsville, Ind., \$1,386; Degree of Honor Protective, St. Paul, \$1,425; Independent Order of Foresters, Toronto, Can., \$1,511; Knights of Columbus, New Haven, Conn., \$1,275; Standard Life, Lawrence, Kan., \$1,469; United Commercial Travelers, Columbus, O., \$1,343; Woodmen Circle, Omaha, \$1,584.

Other societies, of Illinois, affected slightly are the Concordia Mutual Benefit, Chicago; Czechoslovak Society of America, Cicero; Western Catholic Union, Quincy; Women's Catholic Order of Foresters, Chicago; National Fraternal Society for the Deaf, Chicago.

New Illinois Act Is Termed Model for States to Copy

Prediction that at least eight states within two years will copy the model Illinois fraternal code signed recently by Governor Horner was made by D. T. Winder, president Illinois Fraternal Congress. He sees it as a turning point in American and Canadian fraternal insurance.

"The law increases the cost of doing business," he said, "which means that some societies now doing business in Illinois will be liquidated; others will be forced to merge; many will have to improve their efficiency to meet competition. The law increases the mortality assessments of many societies, which means rerating, lapsations and conservation work."

He suggested that, since the new law permits societies to do a general life business, it might be suggested they must prepare to pay a premium tax, or secure passage of an act permitting them to mutualize as old line companies, or adopt a standardized fraternal service that would justify continuation of exemption of premium taxes. "While neither guesswork nor charity can be mixed with actuarial science," Mr. Winder said, "there is no reason why fraternal welfare features cannot be associated with, but not a part of a life insurance contract."

Change in Constitution and By-Laws Found Reasonable

A jury having been permitted by the beneficiary to pass on the matter of a reasonableness of a change in the constitution and by-laws of a fraternal, the beneficiary cannot subsequently change her position and complain of the determination of the trial court. This was the decision of the United States Circuit Court of Appeals for the 2nd circuit (New York) in Van De Water vs. Order of United Commercial Travelers of America.

Assured Was Murdered

The assured was murdered during a robbery of his store. When he became a member of the fraternal, the contract exempted the order from liability for injuries intentionally inflicted by others, except such as were inflicted for the sole purpose of burglary or robbery. Prior to the death of the assured, the constitution and by-laws were amended so as to provide the order shall not be liable for death resulting from murder.

The right to amend the by-laws of a mutual benefit association within a reasonable limit, is recognized by the authorities of Ohio, where the fraternal is domiciled. The lower court determined the issue of facts submitted to it as to

ROYAL NEIGHBORS OF AMERICA

● One of the largest fraternal benefit societies.

Membership
596,110.

● Operates home for aged dependent members.

Admitted Assets
\$53,487,936.

● Maintains fraternal fund to assist needy members.

Total claims paid
\$82,674,602.

● Writes modern forms of life insurance for women, men and children.

Insurance in force
\$472,512,851.

● Provides free health service.

SUPREME OFFICE
ROCK ISLAND, ILL.

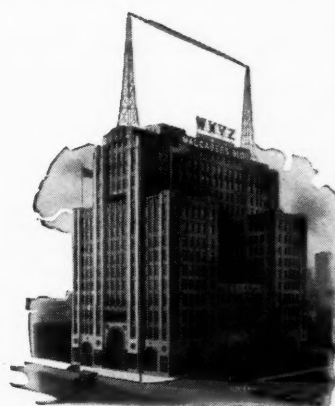
FORTY YEARS OF SERVICE

Royal Neighbors of America was chartered as a fraternal benefit society in the state of Illinois on March 21, 1895. Since that time the society has faithfully provided a dual service of insurance and true fraternalism for members numbering in the hundreds of thousands.

The history of Royal Neighbors of America reveals that its fundamental principle of twofold service has been an outstanding success. This success is reflected in the steady growth of the society and in statistics which place Royal Neighbors of America among the leaders in its field.

THE MACCABEES

58 Years Old with 203,744 Adult and Junior Benefit Members



Home Office Building

Life, Health, Accident and Retirement Income Protection. Health, Hospital and Relief Service. Two Old Age Homes.

Celebrating this year the 50th Year—Golden Anniversary — of the founding of the Ladies of the Maccabees, the first fraternal benefit society organized exclusively for women.

NEW MEMBERS IN 1935

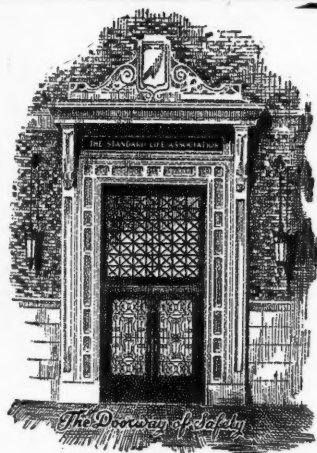
Adult—20,746—A gain of 30% over 1934

Junior—30,172—A gain of 31% over 1934

C. L. BIGGS
Supreme Record Keeper

E. W. THOMPSON
Supreme Commander

DETROIT, MICHIGAN



Stability — Safety
Performance

ASSETS
\$13,750,000.00

CLAIMS PAID
\$114,000,000.00

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Lawrence, Kansas

GEO. R. ALLEN
President
T. J. SWEENEY
Treasurer
S. S. BATY
Secretary

JUVENILE INSURANCE

A plan for every purpose—
issued from ages
1 day to 15 years

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- 20 Payment Endowment at Age 65
- 20 Year Endowment
- Educational Endowment at Age 18

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DENVER, COLORADO

Six Modern Legal
Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment
- Family Income
- Juvenile

These contracts are participating, and provide all standard non-forfeiture options.



Operating for forty-four years in California, Oregon, Washington, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

Write for particulars and open territory to

PETER F. GILROY, President
1447 TREMONT STREET
DENVER, COLORADO

whether or not the change was unreasonable, in favor of the fraternal.

At the trial, Van De Water regarded the question of reasonableness as one of facts, and failed to move for a directed verdict. He cannot now change his position and complain of the determination of the trial court.

Security Benefit Results

The Security Benefit Association of Topeka, in its annual statement, shows assets \$6,989,940, policy reserves \$4,886,195, general fund balance \$102,964, juvenile fund surplus \$243,841 and emergency reserve \$1,339,238.

Premium income amounted to \$4,277,216, investment income \$308,313, claims paid \$2,432,575, cash surrenders \$44,913, acquisition expense \$1,307,110 and administration expense \$680,450.

Adult insurance in force is \$92,899,534 and juvenile insurance \$4,134,575.

Plan for Wisconsin Rally

J. A. Kuypers, DePere, Wis., state chief ranger Catholic Order of Foresters, addressed a rally of Milwaukee courts of the order, telling of plans for an intensive membership drive to be carried on throughout Wisconsin in preparation for the state convention June 8-9 at Stevens Point, Wis. Wisconsin is one of the leading jurisdictions of the order, ranking second, with combined membership of nearly 24,000 adults and juveniles.

The Russian National Mutual Aid, formerly located at 629 Chestnut street, Philadelphia, has merged with the International Workers Order, 80 Fifth avenue, New York.

INDUSTRIAL

Opens New Baltimore District

The North Carolina Mutual Life has opened a new district in Baltimore known as the East Baltimore district with John L. Barry, former assistant manager of the original Baltimore district as manager. He will be assisted by C. R. Alexander, formerly of the original Baltimore district. The office is at 1207 East Monument St. The office is in the heart of the district where there are 65,000 Negroes. W. Emmett Coleman is in charge of the west Baltimore district, assisted by Wilbur Brown. It has a debit of approximately \$800 among 75,000 Negro citizens.

Prudential Changes Announced

The new superintendent of the Kitchener, Ont., district of the Prudential is R. H. Powner, who has been promoted from assistant superintendent in Toronto to 3.

F. L. Houck, formerly superintendent at Lorain, O., is assuming charge of the Warren, O., district, formerly under the supervision of the late A. J. Glauser.

C. J. Clancy has been promoted from assistant superintendent to superintendent at Lorain.

Gannon Is 40 Year Man

The 40th anniversary of his service with the Prudential has been celebrated by C. F. Gannon, superintendent of Philadelphia 12. He started as an agent at Carbondale, Pa. Two years later he was promoted to assistant superintendent at Olyphant. In 1907 he was placed in charge at Oil City. In 1909 he assumed supervision of his present district.

Look for Sickness Claims

The companies writing health and accident insurance anticipate a number of claims from sickness in the flooded areas. They do not believe that the accident claims will amount to much, but owing to the drinking water supply being contaminated, bad sanitary conditions, exposure, excitement, strain and nervous tension, it is anticipated that sickness claims will be numerous.

Florida Attorney-General in Sales Congress Address

Florida laws affecting life insurance generally recognize that the primary purpose is protection of the assured's family, Attorney-General C. D. Landis stated at the sales congress of the Florida association held in Miami. Income tax on policy proceeds does not exist in Florida, because there is no income tax in the state. The proceeds of annuities and life policies and total and permanent disability benefit proceeds are subject to the intangible tax law, but this is very small.

There is no estate or inheritance tax law in practical effect. The Florida estate tax law does not cost the taxpayer any money. The legislature in 1872 exempted life policy proceeds from garnishment and attachment, a law still in effect; and in 1925 exempted cash surrender values of policies.

Change May Be Proposed

Disability benefits for disability contracted before age 60 are not exempt from legal process in favor of a creditor of the assured, a matter which Attorney-General Landis considers serious. "If there ever is a time when the policyholder needs the money," he said, "it is when he is totally and permanently disabled. Perhaps the present state of the law will be brought to the attention of the next legislature." He noted that there is no requirement that life companies deposit any securities with the state, although there is such a provision affecting fire and casualty companies.

Attorney-General Landis gave an interesting review of life insurance in the state, noting the agitation starting shortly after the Armstrong investigation of 1905 for state life insurance, which was aggressively sponsored by the then Governor N. B. Broward. All such legislation was killed in Florida and since 1907 Mr. Landis said the legislature has not seriously considered the question.

He noted that for the 12 years ended with 1904, life companies paid out in losses in Florida approximately \$3,000,000 and received about \$10,000,000 premiums, whereas for the ten years ended with 1934, they paid out approximately \$74,000,000 losses and received about \$226,000,000 premiums.

No Conflict With Insurance Law

MADISON, WIS., March 26.—Commissioner Mortensen has received an opinion from the attorney-general that payment for medical service on a prepayment plan where the services would be paid for by monthly or annual payments did not constitute insurance within the meaning of the Wisconsin insurance statutes. The opinion was requested by the commissioner upon application of groups of physicians in several cities of the state who are planning to establish clinics for the treatment of persons who contribute a monthly or annual payment for the support of the clinics. Construction of the law relating to health insurance does not apply to such organizations, it was held.

Safety Drive Results Good

O. Sam Cummings of Dallas, chairman of the safety committee of the National Association of Life Underwriters, reports that 113 local associations have appointed safety chairmen. Some 25,000 emblems for display on automobile windshields have been sent out and reprints of the article "And Sudden Death" have been sent to 3,400 persons. Much publicity has been received by local associations in connection with their work.

First Bureau School Under Way

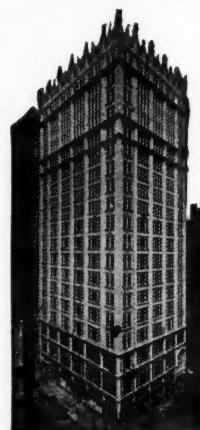
The two-week school in agency building is now under way in Virginia Beach, Va., under the auspices of the Sales Research Bureau. The mythical long-distance cup will be awarded to Isaac Barzan, agency supervisor of the

Insular Life of Manila, who is visiting this country and included this meeting in his schedule. Others who have come from distant points are: C. H. Rogers, manager for the Canada Life in Halifax, N. S.; T. H. Gooch, of the Canada Life head office; A. J. Butzen, general agent Massachusetts Mutual in Milwaukee; and Walter Puckett, Jr., manager for the Protective Life in Birmingham.

The school, which will terminate Friday, is the first such school scheduled this year. The others will be at Excelsior Springs, Mo., April 20-May 1; Del Monte, Cal., June 1-12, and Chicago, July 20-31.

Status of Insurance Agents

According to an opinion handed down by Attorney General Carmichael of Alabama, insurance agents on a strictly commission basis are independent contractors and not subject to the unemployment insurance act.



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Progressive**

**North American Life
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SALES IDEAS AND SUGGESTIONS

Profitable Prospecting Tips Presented at Chicago Clinic

Interesting high lights on "Profitable Prospecting" were given by members of the Chicago office Acacia Mutual Life in the third of a series of sales clinics sponsored by the Chicago Association of Life Underwriters. The program was opened by Lynn S. Broadbuss, manager Acacia Mutual at Chicago, who discussed the definition of a good prospect; he was followed by H. F. Daniels, assistant manager, and J. L. Catlett, agent, who presented illustrations of various methods of successful prospecting.

"The good prospect today," declared Mr. Broadbuss, "is that man who makes more than the cost of living. He does not talk about the depression, for to him the future is his real concern. The past is history. There is little use to attempt the sale of future benefits to that man who steadfastly refuses to look ahead. Find the man or woman who is planning today to whip future economic problems and you will find a prospect for life insurance."

Sickly or Unemployed Man Is Poor Prospect

The speaker emphasized several "don'ts" which should be observed by all life agents. He advised against trying to sell a sickly man or one who is frequently unemployed. "Don't bother with the man who is only earning enough to pay his rent and food bills. He'll starve you too. Don't try to interview the man who is preoccupied and will not listen attentively; that's the time to sell a future interview. Don't call on "names." They mean little. Get enough facts before you call to give that name a personality. And don't forget the man you have sold. He can and will help you to meet his friends. Life insurance is a friendly business."

Mr. Broadbuss pointed out that time is the greatest asset of the agent; he has a certain amount of energy for sale, and time will use up this energy whether he spends it working or loafing. In order to secure the greatest effectiveness, Mr. Broadbuss suggested classifying prospects financially in order to divide the quality from the non-quality or lapsers. In group one are prospects who earn \$100 times their age per year, purchase 15 to 20 policies during their buying period and keep them up. This group represents the best type of prospect. In group two, the prospect will earn \$75 times his age per year, buy six to 15 policies and will keep them up. This class represents the minimum number of people who are hard to see, easy to sell and have purchasing power. This group also provides excellent centers of influence. In group three, the prospect earns \$50 times his age per year, buys one to six policies and usually lapses them. This class, stated Mr. Broadbuss, constitutes the majority prospect who is easy to see, hard to sell and expensive to handle because of the high lapse rate.

Necessary Today to Prospect for a Need

The speaker stressed the necessity today of prospecting for a need. In this connection he listed 18 various recognized needs or insurance situations, which he stated should be carefully studied before an agent approaches a prospect. The agent is the one important man in prospecting; therefore, he should prospect where he lives, where he works, where he plays and where he buys. In pointing out the value of quality prospects, he quoted T. M.

Riehle, past president National association: "Our job today is to look for the man who can pay the premium. Let the doctor worry about whether he can pass the examination. Let the underwriting department worry about his other qualifications. But my worry is whether or not he can pay that premium!"

Mr. Broadbuss also issued a warning note to the new agent: "In your prospecting, be sure to look for the type of prospect on whom your present knowledge of the business warrants the call. If you locate a prospect for business or corporation setup, consult your supervisor. Don't try to handle the prospect who will shoot technical questions at you. Be reasonable with yourself in the matter of auditing a man's policies; programming requires a certain degree of experience which you don't have today. Stick to what you know; study to acquire more knowledge. Prospecting is a lifetime study."

Successful Prospecting Methods Divided Into Three Groups

Mr. Daniels and Mr. Catlett presented several graphic illustrations of successful prospecting methods. They divided them into three methods. The first, the usual type, is not controlled by the agent and has the principal disadvantage of lacking quality prospects. Under this method, the agent makes his contacts through casual conversations and "hit and miss" methods, more often than not resulting in waste of time, discouragement and infrequent sales.

The second method, labeled the referencing system, was illustrated to show the method of procedure. With this system the agent secures a list of names and then contacts a present policyholder

who is acquainted with a number of the men on his list. By means of a tactful approach the agent can then secure from his policyholder much important data and information concerning the new prospects. In addition, he may also secure permission from the policyholder to use his name as a reference in approaching the new men.

The third system, known as the quality controlled method, was described as being the most effective from the standpoint of conservation of time, high percentage of sales and development of an active file of good future prospects. Under this method an agent may make his original contact with, for instance, an official in a large concern or corporation, with whom he may be already acquainted. The speakers illustrated by a typical dialogue how this original contact could be employed by the agent in securing the necessary information about other officials of the company. Some times a personal introduction to the others may be obtained, but even if this is not possible, the agent can at least secure enough information to make additional calls on a much more friendly basis than would result from cold canvass or a hasty preparation.

Offers Sound Basis for Prospect File

This method offers a sound basis for the maintenance of a quality prospect file. Names developed through such contacts provide the best subjects for a sales approach because the men are generally in the higher income brackets and possess the necessary purchasing power. The method is flexible and can easily be adapted to fit any situation. Such prospects also provide the best available centers of influence from which the agent can constantly draw for his supply of new names. The importance of this factor was emphasized because the future of the agent is in his prospect file, which must be constantly filled with progressively successful prospects. In order to have a future, the agent must have prospects with a future.

SALES SUGGESTIONS

MORTGAGE PLANS REVIEWED

At a meeting of the Life Insurance Forum of Los Angeles, with Chairman H. E. Belden, Union Central Life, presiding, R. C. Fyke, Occidental Life of California, spoke on selling life insurance to redeem mortgages on homes, outlining his plan of prospecting, the approach and the actual canvass, which he has used very successfully in production of business. In a round table discussion of the subject, F. W. Pierce, Pacific Mutual Life, explained how the family income policy can be used to provide funds to enable the widow to pay off mortgage instalments and still have an income left for her use. J. W. Yates, Massachusetts Mutual, stressed the point that agents should make prospects realize that a mortgage is a debt and provision should be made for its payment.

GETTING THE "YOU" ATTITUDE

In addressing members of the Life Underwriters Association of New York in connection with a series of meetings on "The Technique of Selling," James Elton Bragg, general agent in New York for the Guardian Life, said the agent must adopt what he terms the "you" attitude throughout the sale.

The agent's interests in his own problems and his pride in his company must be submerged to the interests of the prospect, he said.

The salesman should determine why the prospect should buy; solve the basic problems of the prospect within his

power to buy and within his power of comprehension; submit the best proposition for his particular problem; present problem to prospect in clear-cut language, translating insurance into terms he can grasp.

The agent should present a plan in such a way that the prospect could explain to his wife why he had bought the insurance. To make a plan simple, show: What proposition will pay at time of prospect's death; what policy will pay at retirement age; how investment will increase year after year at a guaranteed rate, providing an emergency fund; what prospect has to do to get policy; project plan against some definite period of years that the prospect can grasp and show what the plan will do for the prospect during this period of years.

HARD WORK NOT ENOUGH

Hard work is not sufficient for success in life insurance—but an agent who directs his hard work along proper channels should be a great success. Charles J. Frisbie, general agent in Seattle, Wash., for the New England Mutual Life, declared in his address on "Life Insurance as a Profitable Career" before the Life Underwriters Association there.

He said that to make selling life insurance profitable an agent must be sincere, really love people and let the prospect talk and give him interested attention while he is doing so. "Unselfing

SPARKS

from the firing line

By JOHN W. AGENT

An all-day sales congress was held in our town recently. Able men from all over the country came to give some of the most inspiring and educational right down to earth brass tacks sales talks it has ever been our good fortune to hear. The attendance was less than 10 percent of the active life underwriters hereabout. And many of the disinterested 90 percent are wondering, no doubt, why they are getting stale.

The other evening we went out to see a young man who had answered one of the company's ads. The dialogue was devoted entirely to what kind of a policy he should buy—and how much. After a half hour's pleasant discussion we had an application on binder for \$2,500, and the date set for the medical examination. Sometimes, as in this case, advertising has done about 85 percent of the selling job.

A girl in our office, six months on the firing line, had a slow July and was somewhat discouraged. Early in August she came in all smiles with a check for \$10,000 for a life annuity and the new customer promises another \$10,000 in September. This business resulted from ing habits, he pointed out that virtue is a call on a stranger, one of 50 selected by this girl to receive a letter from our home office. The letter and two follow up calls brought the check. In this business you can never tell what is around the corner—if you keep calling.

yourself is the magic of it," he continued. "If you do it often enough it will not be long until a large number of persons will regard you as their insurance man. And it isn't hard to do and is much better than an 18-page insurance audit that nobody can understand."

He added that there are only three steps in the selling of insurance. The approach, the interview and the close. The close really starts with the approach. Stressing the advantage of good working habits, he points out that virtue is only our vices disguised. In conclusion he gave his recipe for success: Be brief politely, be aggressive tactfully, be emphatic pleasantly, be positive diplomatically and be right graciously.

QUALITY NAMES EMPHASIZED

Barney Nudelman, Albany, N. Y., general agent Connecticut Mutual Life, has made prospecting something better than he found it. The important thing about prospecting is, "When you go out to get names, don't get 'just any.' That's a fault too many of us are apt to commit. Get a definite kind of name." One procedure is to ask your source the names of two or three young men he knows who have the most ability and promise. Go see them. Tell them Blank regards them the outstanding young men of his acquaintance, ask them for an interview.

Another way: take a list of names to the center of influence and go over them with him—asking what he knows about them. His comments will be a mine of information, usable in making sales. But certainly asking for something definite will produce more results and make it easier for centers of influence to help. And the big problem of prospecting always is to see that it gets done constantly.

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 160 N. La Salle Street
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 FRANK J. HAIGHT, President
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 Telephone, Valentine 8068

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FACKLER and BREIBY
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PENNSYLVANIA

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 E. P. Higgins
 THE BOURSE PHILADELPHIA

TAKE BOTH Life men who write automobile or fire insurance, as well as life, should read The National Underwriter (Fire, Automobile and Casualty Section, \$4 a year), as well as the Life Insurance Edition. Both on one subscription, \$5.50 a year. Send order now to A-1946 Insurance Exchange, Chicago

Changes Made by the Metropolitan

(CONTINUED FROM PAGE 1)

actuarial and is a past president of the Actuarial Society of America and the Casualty Actuarial Society. During February last he celebrated his 40th anniversary of Metropolitan service. In his new capacity as vice-president his duties will include a general supervision of home office functions.

Mr. Kavanagh came up from the debit. He became agent, assistant manager and manager in 1897. In 1904 he was made superintendent of agencies in Canada. In 1917 he was made fourth vice-president, then third vice-president and in 1924 second vice-president.

Came Up from the Ranks

Mr. Wilkes also came up through the agency ranks having been agent, assistant manager, supervisor, manager, superintendent of agencies and executive officer. He has been second vice-president.

Mr. North started as an agent in Brooklyn in 1913 and went up the line until he became third vice-president in charge of the Canadian head office at Ottawa. In 1931 he came back to New York as second vice-president. He was born in 1899.

Frederick W. Ecker joined the Metropolitan after graduating from Harvard University. In 1925 he became assistant treasurer and in 1931 was elected treasurer. He will have immediate supervision of investments.

Distinguished in Their Work

F. H. Ecker is regarded as one of the most forceful company executives who has taken an active part in the affairs of his company in many directions. He is broad gauged in his ideas.

Mr. Lincoln is a democratic, approachable man, whose wise counsel at the head office is sought very frequently. At the annual meeting of the Association of Life Insurance Presidents a few years ago he won distinction by his paper written in a Socratic method in which he introduced two people, one asking questions about life insurance and the other answering them.

Mr. Craig is one of the eminent actuaries of the country who has served the business in an able way and has always been called on in counsels where expert opinion is sought.

Head of the Group Department

Mr. Cavanaugh is head of the group department of the Metropolitan which is one of the important divisions of the company. Mr. Wilkes is the agency executive. Mr. North has been giving his attention during the last few years to sales promotion. He served as chairman of Life Insurance Week, has addressed many underwriters' associations and other insurance bodies. He is one of the best known executives in his particular field.

F. W. Ecker is essentially a financial man, having been in that atmosphere during all his business life. He inherits much of the ability of his distinguished father along financial and executive lines, he being a son of F. H. Ecker.

Other Promotions Announced

Other promotions are: Senior actuary—Raymond V. Carpenter, formerly actuary; second vice-presidents—C. G. Taylor, Jr., Samuel Milligan, A. C. Campbell, F. J. Williams, and H. D. Wright, formerly third vice-presidents; treasurer—H. C. Hagerty, formerly assistant treasurer; actuary—H. R. Bassford, formerly assistant actuary. General counsel—Harry Cole Bates and F. G. Dunham, formerly assistant general counsel. Assistant general counsel—J. H. Collins and Churchill Rodgers.

Mr. Ecker, who had served as president for seven years, will continue to be the chief executive officer. He began as an office boy on May 6, 1883, at that time the Metropolitan's assets were slightly in excess of \$2,000,000, and it

had in force 531,000 policies for insurance totaling \$63,425,000. Mr. Ecker's rise was rapid with the growth of the company although practically the whole of his term as president has fallen within the depression period, the progress of the Metropolitan under Mr. Ecker's administration has been uninterrupted. Compared with its position at the end of 1928—the last full year of prosperity—the statement for 1935 showed a gain in insurance in force of \$3,897,393,574. Total payments to policyholders during that period, including dividends, amounted to \$3,380,300,000.

Wilde Commands First Convention

(CONTINUED FROM PAGE 1)

dall Joy, Dee Pomeroy, Springfield, Mass.; Frank Kauffman, Minneapolis; H. Landenheim, Los Angeles; Earl McElfresh, Olean, N. Y.; Ralph Thorsen, Chicago and Warren L. Wilmarth, Providence.

Stuart F. Smith, manager in Philadelphia, had 24 to qualify for the convention and exceeded his agency qualifying quota by 69 percent. F. H. Haviland, Chicago manager, had 16 to qualify. Roy Pixler, Huntington, was top manager to top his quota with an increase of 194 percent. Walter C. Gastil, manager in Los Angeles for 1½ years, had 16 to qualify and ranked his agency seventh in 1935 compared to 33 in 1934. Of the 10 full time men in the office of T. W. Russell, Hartford, eight qualified for the convention.

"Modern Merchandising for Increased Prestige and Earnings" is the convention theme. Speakers include S. F. Smith, Philadelphia; P. T. Aubin, Chicago; P. R. Clark, New York; F. H. Haviland, Chicago; Ward Fitzpatrick, Los Angeles; H. K. Nichell, Chicago; T. C. Murrell, New York; F. M. Exlene, Huntington, Va.; R. C. Bevan, Providence; F. O. H. William, New Haven; E. B. Stringham, 2nd, Albany; J. S. Mason, Pittsburgh; W. C. Gastil, Los Angeles, and Professors Alvin C. Busse and Richard C. Borden, New York. Two Olivia Orth sketches were given.

The convention is to adjourn Friday.

Survey the Texas Field

Three home office officials of the State Mutual Life have returned from a three-week agency trip that included the newly opened territory in Texas. They are: Vice President Stephen Ireland, Assistant Superintendent of Agencies James H. Eteson and Medical Director Hiram H. Amiral.

Visits were made to the offices in Dallas that were established in January, and to Houston and San Antonio, where the State Mutual's development program may center.

Medical examiners were interviewed and appointed by Dr. Amiral, whose visit to Texas was part of a long swing through mid-western and southern agencies.

Cities visited jointly or singly by the officers were Atlanta, Dallas, San Antonio, Houston, Indianapolis, Kansas City, St. Louis, Chicago and Minneapolis.

To Be Cleveland Speaker

CLEVELAND, O., March 26.—Lynn S. Broadus, manager Acacia Mutual Life in Chicago, will address the next meeting of the general agents group of the Cleveland Life Underwriters Association here April 3.

Wheeling Made Main Office

Because of territorial changes and plans for agency development in West Virginia and eastern Ohio, the Reliance Life is moving its Huntington branch to Wheeling. Cashier A. L. Shy will be in charge of the Wheeling branch which will be located in the Board of Trade Building. Mr. Shy was formerly in charge of the Huntington office.

RECORDS

Old Line Life of America, Milwaukee—Gain of 53 percent in new paid for life business in February and 64 percent gain for the first two months. Gross collections of the accident and health department increased 13 percent.

Guarantee Mutual Life—A special three-day sales campaign in honor of J. W. Hughes, newly elected president, came to a successful close when A. B. Olson, manager of agencies, presented to Mr. Hughes applications for more than \$700,000 of new business.

A letter to the agency force, written by J. C. Buffington, former president, urged special effort in this campaign.

Kansas City Life—The home office agency wrote \$436,300 of business the first 22 days in March on 157 applications, with 29 agents producing. This was one of the best showings made so far for the birthday campaign in honor of President Joseph B. Reynolds. C. P. Carroll and Dix Teachener led the agency, former with \$101,300, latter with \$71,620.

St. Louis Mutual Life—January gain more than 100 percent while February was up more than 60 percent. March production also well ahead of same month in 1935.

Ruskin Cook, Los Angeles, was the leading personal producer for General American Life during February on the basis of paid for life premiums. Fred Dumas of Fort Worth, Tex., led in paid for accident and health premiums. T. J. Farris, St. Louis, Mo., was runner-up on life production while R. C. Whitney, Chicago, ranked second in accident and health paid for premiums.

Allan Gates, Penn Mutual Life, Little Rock, Ark.—In February two agents were leaders among southern agencies: Jack R. Watson, assistant general agent and Louis Yout.

G. H. Page, Los Angeles, California-Western States Life—Led the company for February with 122 submitted applications for \$300,175, a substantial increase.

L. H. Engstrom, Bankers Mutual Life, Ill., Michigan—March business more than for the first two months. Larger state headquarters have been taken in the Majestic building, Detroit.

Saving on Postage Costs

B. F. Drakenfeld & Co., 45 Park Place, New York City, are marketing an air mail paper so light that 18 sheets and envelope can be sent air mail or first class mail without exceeding the 1 ounce limitation set by postal authorities.

To a company mailing reports, multi-sheet letters, rate lists or any bulk mail, savings up to 66½ percent on postage costs can be realized. Even on mail of less bulk the saving is considerable.

This paper is strong, a true white in color and really opaque. It takes printing well and photostats can be made from originals made on this paper.

Another feature is the large number and high quality of carbon copies obtainable with its use. Actual use shows that 15 perfect copies can be rendered with the use of standard carbon and typewriters. By the use of special carbon and equipment, even a greater number of copies can be obtained.

Inspiration of Three Birthdays

Production of the Provident Life & Accident in March has been dedicated to the three executives, whose birthdays fall in the month. They are President R. J. Maclellan, Vice-President and Secretary W. C. Cartinhour and Vice-President H. C. Conley.

In January and February production was the highest in the company's history and March is expected to exceed that record.

The Alliance Life of Peoria has withdrawn from Texas. It has been operating under Southwestern Manager N. W. Hulsey of Dallas. He is leaving the organization.